

By Mr. CURTIS:

H. R. 5133. A bill to correct the service record of Sgt. Marvin A. Koepke; to the Committee on Military Affairs.

By Mr. KERR:

H. R. 5134. A bill for the relief of Mr. W. S. Dean; to the Committee on Claims.

By Mr. McCORMACK:

H. R. 5135. A bill for the relief of Alexander Sawyer; to the Committee on Claims.

By Mr. MARTIN of Iowa:

H. R. 5136. A bill for the relief Mrs. Lula Wilson Nevers; to the Committee on Claims.

By Mr. PRIEST:

H. R. 5137. A bill for the relief of R. H. White Transfer & Storage Co., of Nashville, Tenn.; to the Committee on Claims.

By Mr. ROWAN:

H. R. 5138. A bill for the relief of Joseph M. Dorocke; to the Committee on Claims.

By Mr. SCANLON:

H. R. 5139. A bill for the relief of Theresa Tomico; to the Committee on Claims.

By Mr. SATTERFIELD:

H. R. 5140. A bill for the relief of Nellie P. Dunn; to the Committee on Claims.

By Mr. SHEPPARD:

H. R. 5141. A bill for the relief of J. Dale Gentry; to the Committee on Claims.

#### PETITIONS, ETC.

Under clause 1 of rule XXII,

5515. Mr. ROLPH presented a petition of the Congregation Sherith Israel, of San Francisco, on free ports, which was referred to the Committee on Foreign Affairs.

## SENATE

TUESDAY, AUGUST 1, 1944

The 1st day of August being the day prescribed by Senate Concurrent Resolution 46 for the reconvening of the Congress, the Senate assembled in its Chamber this day.

HENRY A. WALLACE, of Iowa, Vice President of the United States, called the Senate to order at 12 o'clock meridian.

The Chaplain, Rev. Frederick Brown Harris, D. D., of the city of Washington, offered the following prayer:

Eternal God, Father of our spirits, whose power is unsearchable, whose judgments are a great deep, we would quiet our hearts in Thy presence. In the midst of titanic events, with the crash of falling empires and systems rending our ears, with a new epoch of the ages struggling to birth, as laborers together with Thee may we walk the grim path of the seen in the sense of the unseen and the eternal. In the midst of slaughter may we see a splendor; through the tears of bitter loss may we see the rainbow through the rain. In the midst of anxiety may we find a surety and at the cross of grief the solace of a sustaining faith. Hold firm our trust in the steadiness of the power that sits unshaken on the throne of the world. Without that vision we perish and the flaming glory of life is dimmed. Our hearts grow cold without Thee—cold like a sacred stone whereon the altar fires are dead.

Forbid that the flash and flame of exploding shells about us in this day of battle should make us regard Thy fixed stars as only phosphorescent fires of

the marsh. Give us that lowly and humble heart, emptied of presumptuous pride, which is the only shrine where any altar pleasing to Thee can be raised. In these molten times waiting to be molded into the pattern of Thy purpose make plain to us Thy plan and Thy way. Make our own spirits quarries out of which stones for the new temple of humanity may be fashioned. Reveal unto us the means Thou wouldst have us use to establish justice and peace among men in all the earth. And in the dawning day which gilds the skies make our America more and more the hope of all who suffer and the dread of all who wrong. We ask it in the dear Redeemer's name. Amen.

#### THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, June 23, 1944, was dispensed with, and the Journal was approved.

#### ENROLLED BILLS PRESENTED—AFTER ADJOURNMENT

The following enrolled bills, heretofore duly signed by the Presiding Officers of the two Houses, under authority of Senate Concurrent Resolution 47, were presented to the President of the United States by the Committee on Enrolled Bills:

On June 24, 1944:

S. 1749. An act to amend section 3 of the act entitled "An act to authorize the President to requisition certain articles and materials for the use of the United States, and for other purposes", approved October 10, 1940, as amended, to continue it in effect; and S. 1826. An act to amend section 6 of the act of July 2, 1940 (54 Stat. 714), relating to the exportation of certain commodities, and to continue said act in effect.

On June 26, 1944:

S. 784. An act to amend that part of the act of June 24, 1910 (36 Stat. 619), relating to disposition of profits from sales of ships' stores;

S. 1173. An act to provide for staying judicial proceedings against the United States in time of war, on claims for damages caused by vessels of the Navy, or for towage or salvage services to such vessels, when the Secretary of the Navy certifies that the prosecution of such proceedings would endanger the security of naval operations or interfere therewith, and to authorize the settlement and payment of such claims, and for other purposes;

S. 1432. An act to extend the Civilian Pilot Training Act of 1939;

S. 1894. An act to provide for the transportation to their homes of persons discharged from the naval services because of under age at time of enlistment;

S. 1947. An act to amend the National Housing Act, as amended; and

S. 1973. An act to provide additional pay for enlisted men of the Army assigned to the Infantry who are awarded the expert infantryman badge or the combat infantryman badge.

#### ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED—AFTER ADJOURNMENT

Subsequent to the adjournment of the Senate, the Acting President pro tempore, under authority of Senate Concurrent Resolution 47, signed the following enrolled bills and joint resolutions, which had been previously signed by the Speaker of the House of Representatives:

S. 784. An act to amend that part of the act of June 24, 1910 (36 Stat. 619), relating to disposition of profits from sales of ships' stores;

S. 1173. An act to provide for staying judicial proceedings against the United States in time of war, on claims for damages caused by vessels of the Navy, or for towage or salvage services to such vessels, when the Secretary of the Navy certifies that the prosecution of such proceedings would endanger the security of naval operations or interfere therewith, and to authorize the settlement and payment of such claims, and for other purposes;

S. 1432. An act to extend the Civilian Pilot Training Act of 1939;

S. 1894. An act to provide for the transportation to their homes of persons discharged from the naval service because of under age at time of enlistment;

S. 1947. An act to amend the National Housing Act, as amended;

S. 1973. An act to provide additional pay for enlisted men of the Army assigned to the Infantry who are awarded the expert infantryman badge or the combat infantryman badge;

H. R. 248. An act for the relief of Louis Courcell;

H. R. 340. An act to authorize the Legislature of the Territory of Alaska to grant and convey certain lands to the city of Sitka, Alaska, for street purposes;

H. R. 544. An act for the relief of Rev. C. M. McKay;

H. R. 634. An act to provide for the advancement of Rear Admiral Emory S. Land, Construction Corps, United States Navy, retired, to the rank of vice admiral;

H. R. 702. An act to permit the prepayment of the purchase price of certain housing sold to individuals by the Resettlement Administration or the Farm Security Administration, and for other purposes;

H. R. 905. An act to release all the right, title, and interest of the United States in certain land constituting a portion of the tract of land conditionally granted to the county of Los Angeles, State of California, under the act of March 24, 1933, as amended;

H. R. 1045. An act for the relief of Mrs. R. D. Robinson;

H. R. 1046. An act for the relief of David B. Turpel;

H. R. 1313. An act for the relief of Delores Lewis;

H. R. 1411. An act for the relief of Eddie T. Stewart;

H. R. 1412. An act for the relief of Mildred B. Hampton;

H. R. 1497. An act for the relief of the estate of J. T. Taulbee, deceased, and Mrs. Bertie Lella Parker;

H. R. 1668. An act for the relief of Lessie C. Selman;

H. R. 1675. An act to amend section 9 of the Pay and Readjustment Act of 1942 (Public Law 607) by providing for the computation of double-time credits awarded between 1898 and 1912 in determining retired pay;

H. R. 1682. An act for the relief of Edwin H. Taylor;

H. R. 1737. An act for the relief of the Saunders Memorial Hospital;

H. R. 1755. An act for the relief of Broadus D. Boland and W. E. Boland;

H. R. 2006. An act for the relief of Mrs. Hagar Simpson and Mrs. Nat Price, Jr.;

H. R. 2151. An act for the relief of Elizabeth Powers Long;

H. R. 2288. An act for the relief of Donald J. Munson;

H. R. 2333. An act for the relief of Mrs. Samuel M. McLaughlin;

H. R. 2405. An act for the relief of Clarence P. Hale, Jr.;

H. R. 2469. An act for the relief of Anna Charack;

H. R. 2472. An act for the relief of the estate of Gertrude Mullins;

H. R. 2511. An act for the relief of P. Audley Whaley;

H. R. 2530. An act for the relief of John M. O'Connell;

H. R. 2605. An act for the relief of Charles W. Kirby;

H. R. 2625. An act for the relief of Edward E. Held and Mary Jane Held;

H. R. 2679. An act for the relief of Mrs. Lillian W. Timmerman, mother of Ann Timmerman, a minor, deceased;

H. R. 2788. An act for the relief of Frank Baptiste;

H. R. 2916. An act for the relief of Mrs. Winnie Singleton, as administratrix of the estate of Gaylord W. Singleton, deceased;

H. R. 2965. An act for the relief of Ross Engineering Co.;

H. R. 3098. An act for the relief of Dr. H. H. Smith;

H. R. 3126. An act for the relief of Mary Ellen Frakes, widow of Joseph A. Frakes;

H. R. 3137. An act for the relief of Ruth L. Clapp;

H. R. 3241. An act to implement the jurisdiction of service courts of friendly foreign forces within the United States, and for other purposes;

H. R. 3280. An act for the relief of William Dyer;

H. R. 3281. An act for the relief of the estate of Nelson Hawkins;

H. R. 3301. An act for the relief of the legal guardian of Edward Polak, a minor;

H. R. 3306. An act to authorize the conveyance of Harrison Park in the city of Vincennes to Vincennes University;

H. R. 3324. An act for the relief of the Postal Telegraph-Cable Co.;

H. R. 3390. An act for the relief of Mavis Norrine Cothron and the legal guardian of Norma Lee Cothron, Florence Janet Cothron, and Nina Faye Cothron;

H. R. 3481. An act for the relief of J. William Ingram;

H. R. 3524. An act to provide for the establishment of the Harpers Ferry National Monument;

H. R. 3538. An act for the relief of the Reverend James T. Denigan;

H. R. 3539. An act for the relief of the estate of Carlos Perez Aviles;

H. R. 3586. An act for the relief of Mrs. John Andrew Godwin;

H. R. 3596. An act conferring jurisdiction upon the Court of Claims of the United States to consider and render judgment on the claim of the Zephyr Aircraft Corporation against the United States;

H. R. 3604. An act authorizing the appointment of the Chief of Chaplains to the temporary rank of major general, and for other purposes;

H. R. 3636. An act for the relief of Josephine Guidoni;

H. R. 3646. An act to amend section 42 of title 7 of the Canal Zone Code;

H. R. 3649. An act for the relief of Mae Ekvall;

H. R. 3654. An act for the relief of Byron Ennis;

H. R. 3674. An act for the relief of William E. Widby;

H. R. 3724. An act for the relief of Mr. and Mrs. Howard C. Bantin;

H. R. 3737. An act for the relief of M. H. Harris;

H. R. 3739. An act for the relief of the Wesix Electric Heater Co.;

H. R. 3859. An act for the relief of E. Bird Giles and Sherman Beck;

H. R. 3870. An act to amend section 214 of the act of February 28, 1925;

H. R. 3976. An act for the relief of Charles L. Kee;

H. R. 3977. An act for the relief of Harry Schultz;

H. R. 4033. An act relating to the use of the penalty mail privilege;

H. R. 4041. An act to amend the act relating to the construction and maintenance of a bridge across the Missouri River at or near Nebraska City, Nebr.;

H. R. 4074. An act for the relief of the estate of William Sandlass;

H. R. 4095. An act confirming the claim of the heirs of Monroe Johnson, deceased, to certain lands in the State of Mississippi, county of Adams;

H. R. 4102. An act to extend for 1 additional year the reduced rate of interest on Land Bank Commissioner loans;

H. R. 4103. An act to provide for loss of United States nationality under certain circumstances;

H. R. 4197. An act for the relief of Mr. and Mrs. John Cushman;

H. R. 4215. An act to extend to the custodial-service employees of the Post Office Department certain benefits applicable to postal employees;

H. R. 4348. An act to amend the act approved August 18, 1942, entitled "An act to facilitate the disposition of prizes captured by the United States during the present war, and for other purposes";

H. R. 4361. An act for the relief of Arch A. Brown;

H. R. 4405. An act to amend the act approved March 7, 1942 (56 Stat. 143), as amended (56 Stat. 1092; 50 App. U. S. C., Supp. III, 1001-1017, inclusive), so as to more specifically provide for pay, allotments, and administration pertaining to war casualties, and for other purposes;

H. R. 4443. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 4458. An act for the relief of J. G. Power and L. D. Power;

H. R. 4466. An act to amend section 18 of the Pay Readjustment Act of 1942 to provide additional pay for personnel who are required to participate in regular and frequent glider flights;

H. R. 4517. An act to remove restrictions on establishing post-office branches and stations;

H. R. 4528. An act for the relief of L. M. Feller Co. and Wendell C. Graus;

H. R. 4623. An act to authorize the use of space in the old post-office building in Portland, Oreg., by the State of Oregon for its use as a museum for relics from the battleship *Oregon*, together with all other historical documents, objects, and relics of Oregon and the old Oregon country held by the State for public display;

H. R. 4624. An act to consolidate and revise the laws relating to the Public Health Service, and for other purposes;

H. R. 4687. An act relating to issuance of postal notes;

H. R. 4707. An act for the relief of J. Fletcher Lankton and John N. Ziegele;

H. R. 4728. An act to amend the act entitled "An act to expedite the provision of housing in connection with the national defense, and for other purposes," approved October 14, 1940, as amended;

H. R. 4733. An act to amend section 514 of the Soldiers' and Sailors' Relief Act;

H. R. 4803. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Memphis, Tenn.;

H. R. 4810. An act to extend the provisions of the Selective Training and Service Act of 1940, as amended, to the Virgin Islands;

H. R. 4825. An act to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Des Moines, Iowa, September 10 to 14, inclusive, 1944;

H. R. 4861. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of

such District for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 4879. An act making appropriations for war agencies for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 4881. An act to amend the Internal Revenue Code, the Narcotic Drugs Import and Export Act, as amended, and the Tariff Act of 1930, as amended, to classify a new synthetic drug, and for other purposes;

H. R. 4899. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 4935. An act to provide for a study of multiple taxation of air commerce, and for other purposes;

H. R. 4937. An act making appropriations for defense aid (lend-lease), for the participation by the United States in the work of the United Nations Relief and Rehabilitation Administration, and for the Foreign Economic Administration, for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 4967. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 5040. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1944, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1944, and June 30, 1945, and for other purposes;

H. J. Res. 138. Joint resolution granting the consent of Congress to an agreement between the State of New York and the State of Rhode Island and Providence Plantations concerning the settlement of the boundary line between said States; and

H. J. Res. 227. Joint resolution extending the period for the acquisition by the Railroad Retirement Board of data needed in carrying out the provisions of the Railroad Retirement Acts;

H. J. Res. 241. Joint resolution requesting the President to urge upon the governments of those countries where the cultivation of the poppy plant exists, the necessity of immediately limiting the production of opium to the amount required for strictly medicinal and scientific purposes.

#### APPROVAL OF SENATE BILLS AND JOINT RESOLUTIONS—AFTER ADJOURNMENT

The President of the United States, subsequent to the adjournment of the Senate, notified the Secretary of the Senate that he had approved and signed acts and joint resolutions, as follows:

On June 22, 1944:

S. 1479. An act providing for the suspension of certain requirements relating to work on tunnel sites;

S. 1808. An act to authorize temporary appointment as officers in the Army of the United States of members of the Army Nurse Corps, female persons having the necessary qualifications for appointment in such corps, female dietetic and physical-therapy personnel of the Medical Department of the Army (exclusive of students and apprentices), and female persons having the necessary qualifications for appointment in such department as female dietetic or physical-therapy personnel, and for other purposes; and

S. 1848. An act for the relief of Claude R. Whitlock, and for other purposes.

On June 26, 1944:

S. 1157. An act to amend section 61 of the National Defense Act of June 3, 1916, as amended, for the purpose of providing such training of State and Territorial military forces as is deemed necessary to enable them to execute their internal security responsibilities within their respective States and Territories;



S. 1232. An act to provide equitable compensation for useful suggestions or inventions by personnel of the Department of the Interior; and

S. 1588. An act for the relief of the legal guardian of Eugene Holcomb, a minor.

On June 27, 1944:

S. 1669. An act to clarify the law relative to allowances for mileage of graduates of the United States Military Academy and transportation of their dependents on assignment to their first duty station and to the mileage allowance of persons entering the United States Military Academy as cadets.

On June 28, 1944:

S. 1634. An act to provide for the management and operation of naval plantations outside the continental United States;

S. 1748. An act to amend the act entitled "An act to authorize the President of the United States to requisition property required for the defense of the United States," approved October 16, 1941, as amended, to continue it in effect; and

S. 1749. An act to amend section 3 of the act entitled "An act to authorize the President to requisition certain articles and materials for the use of the United States, and for other purposes," approved October 10, 1940, as amended, to continue it in effect.

On June 29, 1944:

S. J. Res. 93. Joint resolution declaring the policy of the Congress with respect to the independence of the Philippine Islands, and for other purposes; and

S. J. Res. 94. Joint resolution to amend section 12 of Philippine Independence Act, as amended, establishing the Filipino Rehabilitation Commission, defining its powers and duties, and for other purposes.

On June 30, 1944:

S. 1432. An act to extend the Civilian Pilot Training Act of 1939;

S. 1593. An act for the relief of the heirs and assigns of Widow Cesaire De Blanc;

S. 1764. An act to amend the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of October 2, 1942, as amended, and for other purposes;

S. 1947. An act to amend the National Housing Act, as amended; and

S. 1973. An act to provide additional pay for enlisted men of the Army assigned to the Infantry who are awarded the expert infantryman badge or the combat infantryman badge.

On July 1, 1944:

S. 784. An act to amend that part of the act of June 24, 1910 (36 Stat. 619), relating to disposition of profits from sales of ships' stores;

S. 1718. An act to provide for the settlement of claims arising from terminated war contracts, and for other purposes;

S. 1826. An act to amend section 6 of the act of July 2, 1940 (54 Stat. 714), relating to the exportation of certain commodities, and to continue said act in effect; and

S. 1894. An act to provide for the transportation to their homes of persons discharged from the naval service because of under age at time of enlistment.

On July 3, 1944:

S. 1173. An act to provide for staying judicial proceedings against the United States in time of war, on claims for damages caused by vessels of the Navy, or for towage or salvage services to such vessels, when the Secretary of the Navy certifies that the prosecution of such proceedings would endanger the security of naval operations or interfere therewith, and to authorize the settlement and payment of such claims, and for other purposes.

#### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting

nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Perry, one of its clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 4349. An act to exempt certain officers and employees of the National War Labor Board from certain provisions of the Criminal Code;

H. R. 4446. An act to exempt certain officers and employees within the Office of Scientific Research and Development from certain provisions of the Criminal Code; and

H. R. 4468. An act to exempt certain officers and employees of the War Department from certain provisions of the Criminal Code and Revised Statutes.

#### ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 3125) for the relief of Paul H. White, and it was signed by the Vice President.

#### FILIPINO REHABILITATION COMMISSION

The ACTING PRESIDENT pro tempore [Mr. GILLETTE], under authority of the order of the Senate of June 23, 1944, on June 30, 1944, appointed Mr. TYPINGS, Mr. CLARK of Missouri, and Mr. VANDENBERG members on the part of the Senate of the Filipino Rehabilitation Commission, established under the provisions of section 1 of Public Law 381, approved June 29, 1944.

#### REPORT OF SPECIAL COMMITTEE TO INVESTIGATE GASOLINE AND FUEL-OIL SHORTAGES

Under authority of the order of the Senate of June 21, 1944, Mr. MALONEY, from the Special Committee to Investigate Gasoline and Fuel-Oil Shortages, pursuant to Senate Resolution 28, agreed to February 24, 1943, submitted on July 22, 1944, an additional report on oil and coal, which was printed as part 3 of Report No. 59.

#### FOREIGN WAR-RELIEF OPERATIONS—REPORT OF THE RED CROSS (S. DOC. NO. 228)

The VICE PRESIDENT laid before the Senate the following communication from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Appropriations and ordered to be printed:

THE WHITE HOUSE,  
Washington, June 26, 1944.

THE PRESIDENT OF THE SENATE.

SIR: I have the honor to transmit herewith a report, prepared by the American Red Cross, of obligations under the appropriations for foreign war relief consolidated and extended by the Second Deficiency Appropriation Act, 1942, and the Urgent Deficiency Appropriation Act, 1943.

This cumulative report, reflecting all refugee and foreign war-relief operations from July 1, 1940, through April 30, 1944, supplements reports submitted as of April 30, 1941, April 30, 1942, and April

30, 1943. It is of necessity an interim report, since the foreign war-relief program is still in progress and a proposed provision has already been transmitted to the Congress which will have the effect of extending the availability of this appropriation until June 30, 1945. A final report must await the conclusion of the foreign war-relief program.

There are also transmitted herewith reports from the Treasury Department, the Department of Agriculture, and the War Department, which are serving as purchasing agencies under the program of foreign war relief. It will be noted that the reports of the Departments are prepared on the basis of orders placed with vendors as distinguished from the report of the American Red Cross which is prepared on the basis of requisitions submitted to those Departments.

Respectfully,

FRANKLIN D. ROOSEVELT.

#### EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

#### REIMBURSEMENT FOR PROPERTY LOST AS A RESULT OF JAPANESE OCCUPATION OF HONG KONG AND MANILA

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to provide for the reimbursement of certain civilian personnel for personal property lost as a result of the Japanese occupation of Hong Kong and Manila (with accompanying papers); to the Committee on Claims.

#### PERSONNEL OF THE LAND FORCES

A letter from the Acting Secretary of War, transmitting, pursuant to law, a confidential report of the number of men in active training and service in the land forces on May 31, 1944, under section 3 (b) of the Selective Training and Service Act of 1940; to the Committee on Military Affairs.

#### SUSPENSION OF DEPORTATION OF ALIENS

A letter from the Attorney General, transmitting, pursuant to law, a report stating all of the facts and pertinent provisions of law in the cases of 70 aliens whose deportation has been suspended for more than 6 months, together with a statement of the reasons for such suspension (with an accompanying report); to the Committee on Immigration.

#### SUSPENSION OF DEPORTATION OF AN ALIEN—WITHDRAWAL OF NAME

A letter from the Attorney General, withdrawing a certain name from a report of aliens whose deportation he suspended for more than 6 months, transmitted by him to the Senate on December 3, 1943, pursuant to law; to the Committee on Immigration.

#### SPECIAL ASSISTANT ATTORNEYS, DEPARTMENT OF JUSTICE

A letter from the Attorney General, transmitting, pursuant to law, a report for the period January 1 to June 30, 1944, showing the special assistants employed under the appropriation "Compensation of special attorneys," contained in the Department of Justice Appropriation Act of 1943, together with the rates of compensation or fees paid and a description of their duties (with an accompanying report); to the Committee on the Judiciary.

#### UNCOLLECTIBLE CREDITS OF THE UNITED STATES

A letter from the Acting Postmaster General, transmitting a draft of proposed legislation to eliminate as uncollectible certain

credits of the United States (with an accompanying paper); to the Committee on Claims.

**IRMA S. SHERIDAN, POSTMASTER AT ROCKVILLE, OREG.**

A letter from the Acting Postmaster General, transmitting a draft of proposed legislation for the relief of Irma S. Sheridan, postmaster at Rockville, Oreg. (with an accompanying paper); to the Committee on Claims.

#### DUAL EMPLOYMENT IN POSTAL SERVICE

A letter from the Acting Postmaster General, transmitting a draft of proposed legislation relating to dual employment in the Postal Service, and for other purposes (with an accompanying paper); to the Committee on Post Offices and Post Roads.

#### ACTS OF LEGISLATURE OF PUERTO RICO

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a certified copy of the Acts of the Fourth Regular Session of the Fifteenth Legislature of Puerto Rico (with an accompanying document); to the Committee on Territories and Insular Affairs.

#### REPORT OF NATIONAL WAR LABOR BOARD ON WAGE STABILIZATION

A letter from the Chairman of the National War Labor Board, transmitting, in further response to Senate Resolution 130, agreed to April 9, 1943, a report on the stabilization of wages and salaries for the month of April 1944 (with an accompanying report); ordered to lie on the table.

#### GOVERNMENT EMPLOYEES DEFERRED FROM MILITARY SERVICE FOR OCCUPATIONAL REASONS

A letter from the Director of the Selective Service System, transmitting, pursuant to law, lists of registrants deferred from military service for occupational reasons because of their employment in or under the Federal Government on April 15, 1944 (with accompanying papers); to the Committee on Military Affairs.

#### REPORTS OF RECONSTRUCTION FINANCE CORPORATION

A letter from the Chairman and Secretary of the Reconstruction Finance Corporation, transmitting, pursuant to law, a report of the operations of the Corporation for the period from its organization on February 2, 1932, to March 31, 1944, inclusive (with an accompanying report); to the Committee on Banking and Currency.

A letter from the Chairman of the Reconstruction Finance Corporation, transmitting, pursuant to law, a confidential report of the Corporation's activities for the month of April 1944 (with an accompanying report); to the Committee on Banking and Currency.

#### DIRECTORS OF PERSONNEL WITHIN DEPARTMENTS AND AGENCIES

A letter from the President of the Civil Service Commission, transmitting a draft of proposed legislation respecting the designation of directors of personnel within Government departments and agencies; to the Committee on Civil Service.

#### TRAVEL EXPENSES OF CONSULTANTS AND OTHER GOVERNMENTAL EXPERTS

A letter from the President of the Civil Service Commission, transmitting a draft of proposed legislation to provide uniform authority for the payment of travel expenses of consultants and other expert employees of the Federal Government (with an accompanying paper); to the Committee on Expenditures in the Executive Departments.

#### LIBERALIZATION OF NATIONAL SERVICE LIFE INSURANCE ACT

A letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to liberalize certain provisions of the National Service Life Insurance Act of 1940, as amended (with an accompanying paper); to the Committee on Finance.

#### LANDS OF VETERANS' ADMINISTRATION, DALLAS, TEX.

A letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to authorize the Administrator of Veterans' Affairs to grant an easement in certain lands of the Veterans' Administration, Dallas, Tex., to Dallas County, Tex., for highway purposes (with accompanying papers); to the Committee on Finance.

#### PERSONNEL REQUIREMENTS

A letter from the Director of the Bureau of the Budget, transmitting, pursuant to law, a report of his determinations during the fourth quarter of the fiscal year 1944 of the number of employees required for the proper and efficient exercise of the functions of the executive departments and agencies of the Government (with an accompanying report); to the Committee on Civil Service.

Estimates of personnel requirements, transmitted, pursuant to law, and referred, with accompanying papers, to the Committee on Civil Service, as follows:

For the quarter ending September 30, 1944: By the Treasury Department; Department of Justice; War Department; Navy Department; Department of Labor; Department of the Interior; Reconstruction Finance Corporation; National War Labor Board; Federal Trade Commission; National Housing Agency; Office of Civilian Defense, Division of Central Administrative Services, Office of Economic Stabilization, and Office of War Mobilization of the Office for Emergency Management; Federal Communications Commission; United States Civil Service Commission; Federal Security Agency; Federal Power Commission; Smaller War Plants Corporation; Bureau of the Budget, Liaison Office for Personnel Management, and Committee for Congested Production Areas of the Executive Office of the President;

Revised estimates for the quarter ending September 30, 1944, by the Navy Department (2); Department of Commerce (2); United States Civil Service Commission; General Accounting Office; Office of Price Administration; War Manpower Commission of the Office for Emergency Management; and the American Commission for the Protection and Salvage of Artistic and Historic Monuments in War Areas; and

An estimate for the quarter ended June 30, 1944, by the Department of Agriculture.

#### REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—GOVERNMENT CORPORATIONS (S. DOC. NO. 227)

The VICE PRESIDENT laid before the Senate an additional report of the Joint Committee on Reduction of Nonesential Federal Expenditures, relating to Government corporations, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. BYRD. Mr. President, I ask unanimous consent that the report just laid before the Senate by the Vice President may be printed in the RECORD; likewise an explanatory statement of the report.

The VICE PRESIDENT. Without objection, it is so ordered.

The report is as follows:

#### REPORT ON GOVERNMENT CORPORATIONS

##### SECTION I. INTRODUCTION

The Government corporation represents an attempt, when extended to commercial enterprise, to apply a type of organization common to large-scale private commercial management. The purpose seems to be to avoid the ordinary restraints placed upon regular Government establishments and to create a reservoir of capital. As a matter of fact, corporations seem to have been created with little thought as to advantages or disadvantages; some have been set up without capital stock and others have been established with the idea or even the expressed intention to use up all capital in carrying out their purposes. Corporations have been established in some cases and in other cases ordinary Government agencies when the demand would be quite similar.

Important enterprises have been and are carried out by the United States without the use of the corporate form—for example, the Postal Service, Panama Canal, Maritime Commission, Alaska Railroad, Federal Housing Administration.

##### SECTION II. HISTORY AND GROWTH

In the early history of the Federal Government the corporate form of Government agency was simple and rarely employed. First came the Bank of North America (1781) and the First and Second Banks of the United States. The Panama Railroad Company was chartered privately under the laws of New York in 1849 and acquired by the Federal Government in 1902. The Federal Reserve System was established under the act of 1913, privately owned by member banks and publicly controlled. Federal land banks were authorized by the Farm Loan Act of 1916.

World War No. 1 brought on a marked development in this respect. The wartime Government corporations were: United States Grain Corporation (1917), United States Emergency Fleet Corporation (1917), United States Housing Corporation (1918), United States Spruce Production Corporation (1918), United States Sugar Equalization Board (1918), War Finance Corporation (1918), and War Trade Board of the United States Russian Bureau, Inc. (1918). Of this number, United States Spruce Production is just about to be dissolved and United States Housing is in liquidation; all others have been dissolved.

Except for the Federal Intermediate credit banks in 1923 and the Inland Waterways Corporation in 1924, no recourse was had to the corporate device until the depression came in 1930. In 1932, by act of Congress, the Reconstruction Finance Corporation, Federal home loan banks and regional agricultural credit corporations were established. In 1929, a specific type of public corporation was developed—the stabilization corporation, promoted, financed, and managed by the Federal Farm Board—these were the Cotton Stabilization Corporation and the Grain Stabilization Corporation, both dissolved in 1934 and 1935 respectively. These corporations were supplemented by privately owned corporations, the Farmers National Grain Corporation, American Cotton Cooperative Association, National Live Stock Association and others, all under the supervision of the Federal Farm Board for agricultural marketing and financed by the agricultural marketing revolving fund. These organizations were replaced by the Farm Credit Administration and the banks for cooperatives and production credit corporations in 1933.

By that time the philosophy of American Government in the economic field had under-



gone, and was undergoing, a marked change. The "general welfare" had acquired a new meaning and possibly was overemphasized. The number increased from 10 corporations in 1931 to 27 in 1939, and there are now 44 corporations. Besides, there are 15 unincorporated agencies (sec. VIII of this report) operating loan activities and enterprises. Originally the corporate device was employed as a means of solving the complications of the Federal system and, although this may be expeditious with respect to some activities which have been undertaken by the Federal Government, it appears now that every new business venture is thought of in terms of such avoidance. The inevitable result of this growth has been the impairment of control by Congress.

### SECTION III. GOVERNMENT CORPORATIONS

#### By principal features

Government corporations may be divided into three general groups, as follows: (a) The 40 corporations whose activities are supervised by governmental agencies; (b) the 4 independently operated corporations, and (c) the 11 corporations in which the Government may have a proprietary interest or a contractual relation.

There follows a list of the Government corporations which fall within the groups indicated above as (a) and (b). Also set forth below are the principal features of all Government corporations. The enumeration list is set up on the present basis of functional control. The list by principal features follows the basis of financial control as shown in table 1 and table 2.

#### Corporations with supervising agency

(If State-incorporated, with State of incorporation after each such corporation)

#### Agriculture:

Commodity Credit Corporation (Delaware).  
Farm Credit Administration:

Banks for cooperatives (1 central, 12 regional).

Federal intermediate credit banks (12).

Federal land banks (12).

Production credit corporations (12).

Regional agricultural credit corporations (1).

Federal Crop Insurance Corporation (in liquidation).

Federal Farm Mortgage Corporation.

Federal Surplus Commodities Corporation (Delaware).

#### Commerce, Secretary of:

Reconstruction Finance Corporation:

Defense Plant Corporation.

Defense Supplies Corporation.

Metals Reserve Company.

Rubber Reserve Company.

War Damage Corporation.

Federal National Mortgage Association.

RFC Mortgage Company, The (Maryland).

Disaster Loan Corporation.

Inland Waterways Corporation: Warrior

River Terminal Company (Alabama).

Interior: Virgin Islands Company, The (Virgin Islands).

Justice: Federal Prison Industries, Inc.

War: United States Spruce Production Corporation (in liquidation) (Washington).

Coordinator of Inter-American Affairs (all Delaware):

Institute of Inter-American Affairs.

Institute of Inter-American Transportation.

Inter-American Educational Foundation, Inc.

Inter-American Navigation Corporation (in liquidation).

Prencinradio, Inc.

#### Foreign Economic Administration:

Cargoes, Inc. (Lend-Lease) (New York).  
Export-Import Bank of Washington (District of Columbia).

Petroleum Reserves Corporation.

Rubber Development Corporation (Delaware).

United States Commercial Company.

War Production Board: Smaller War Plants Corporation.

National Housing Agency:

Federal Public Housing Authority: Defense Homes Corporation (Maryland).

Federal Home Loan Bank Administration: Federal home loan banks (12).

Federal Savings and Loan Insurance Corporation.

Home Owners' Loan Corporation (in liquidation).

United States Housing Corporation (in liquidation) (New York).

#### Independent corporations

Federal Deposit Insurance Corporation.

Panama Railroad Company (New York).

Tennessee Valley Authority: Tennessee Valley Associated Cooperatives, Inc. (Tennessee).

### PRINCIPAL FEATURES OF CORPORATIONS

#### DEPARTMENT OF AGRICULTURE

#### Central Bank for Cooperatives—Regional Banks for Cooperatives (12)

Creation: Specific enabling statute. Farm Credit Act of 1933 (12 U. S. C. 1134), chartered by the Governor of Farm Credit Administration August to December 1933.

Control: Central Bank organized by Farm Credit Administration. Board of directors of the Central Bank consists of seven members with a 3-year term, of whom one is the Cooperative Bank Commissioner. The other six are appointed by the Governor with the appointment of three of these subject to nomination by the borrowing associations. Regional banks organized by directors of Federal land banks. District farm credit board of seven members with a 3-year term, three elected by the member associations and four appointed by the Governor of Farm Credit Administration, one of the four subject to nomination by the member associations (borrowers). Current operation under supervision of, and examination by, Farm Credit Administration. No current control by Congress, Treasury, Bureau of the Budget, or General Accounting Office.

Borrowing power: Central Bank may issue debentures up to five times paid-in capital and surplus. Regional banks have only general power with Farm Credit Administration approval. All banks may discount at Federal intermediate credit banks. Regional banks may also discount or borrow at the Central Bank, from each other, or from commercial banks.

Source of funds: Capital subscription by the Governor of the Farm Credit Administration, payment for which is made from the Agricultural Marketing Act revolving fund (formerly administered by the Federal Farm Board, superseded by the Farm Credit Administration). Capital is also furnished by borrowing associations who subscribe to capital stock (or guaranty funds), current needs from borrowing, and from investment income.

Functions: Interest earning lending activities to finance farm cooperatives and farm servicing cooperatives.

Mixed ownership: Borrowing cooperatives must subscribe to capital stock in an amount of approximately 5 percent of operating capital and facility loans and 1 percent of commodity loans. Such ownership in capital stock or interest in a guaranty fund at June

30, 1943, amounted to \$4,929,800; Government investment in capital stock at same date amounted to \$172,000,000. Dividends may be declared on all stock, including guaranty fund, not to exceed 7 percent. Borrowers' stock is retired upon repayment of loans. United States stock may be retired by the directors with the approval of the Governor of the Farm Credit Administration.

Expiration: When dissolved.

#### Commodity Credit Corporation

Creation: Executive Order 6340, October 16, 1933, under National Industrial Recovery Act (15 U. S. C. 702), incorporated under the laws of the State of Delaware, Congress validated and broadened its powers (15 U. S. C. 713 et seq.).

Control: Organized by Secretary of Agriculture, Governor of Farm Credit Administration, and Director of Finance of Agricultural Adjustment Administration. Board of five directors, 1-year term, appointed by Secretary of Agriculture. Capital and administrative expenses under appropriation or limitation by Congress, Treasury, Bureau of the Budget, and General Accounting Office. Operating transactions not under control except for post-audit by General Accounting Office. Now under War Food Administration in Department of Agriculture.

Borrowing power: Notes guaranteed by the United States, with approval of the Secretary of the Treasury, limitation \$3,000,000,000.

Sources of funds: Originally N. I. R. appropriation and Reconstruction Finance Corporation. Presently borrows from the Treasury on notes at 1-percent interest.

Functions: Interest earning lending activities, to stabilize farm prices and assure adequate reserve supplies of farm products. Purchase and sale of farm products, domestic and foreign. Price-support and subsidy activities at home and lend-lease activities abroad are nonrevenue producing, but with provision for reimbursing for costs and losses.

Expiration: June 30, 1945.

Note: Public Law 240, Seventy-eighth Congress, provides that beginning with the period from July 1, 1944, the financial transactions of the Corporation shall be audited by the General Accounting Office \* \* \*.

A copy of the audit report is to be furnished the Secretary of the Treasury that the findings may be considered in appraising the assets and liabilities and determining the net worth of the Corporation under sections 1 and 2 of the act of March 8, 1938 (15 U. S. C. 713a, 1 and 2). This act provides that any impairment of capital be restored by appropriation or that any excess be covered into the Treasury for retirement of public debt.

#### Federal Crop Insurance Corporation

Creation: Direct statute, Federal Crop Insurance Act (7 U. S. C. 1503), chartered by act of Congress February 16, 1938.

Control: Organized by act of Congress. Board of three directors appointed by Secretary of Agriculture for indefinite term. Administrative expenses and capital appropriated by Congress and under control by Bureau of the Budget and Treasury. All transactions under audit by General Accounting Office.

Borrowing power: None provided.

Sources of funds: Capital and administrative expenses out of general fund by appropriation. Losses and other out of premiums and capital.

Functions: Insurance on agricultural crops, wheat, and cotton, with premiums in kind, planned to operate as a non-profit venture. Research work with view to extend to other crops.

Expiration: Indefinite, but provisions of the Agriculture Appropriation Act 1944 (57 Stat. 418) curtailed activities and the Corporation is now in liquidation.

#### *Federal Farm Mortgage Corporation*

Creation: Direct statute, Federal Farm Mortgage Act (12 U. S. C. 1020), chartered by act of Congress January 31, 1934.

Control: Organized by act of Congress. Board of three directors designated by law as the Secretary of the Treasury, Governor of Farm Credit Administration, and Land Bank Commissioner. Administrative expense limitation under current control by Congress and Bureau of the Budget, borrowings under control of Treasury, all transactions under General Accounting Office audit.

Borrowing power: \$2,000,000,000 in bonds guaranteed by the United States, as prescribed by the Board with the approval of the Secretary of the Treasury.

Sources of funds: Capital subscription \$200,000,000 by Reconstruction Finance Corporation, later reimbursed by the Treasury—\$100,000,000 retired, but held for further subscription and subject to call. Current needs supplied from capital, bond issues, and earnings.

Functions: Mortgage loans on farm property, first and second up to 75 percent of appraised normal value. Assisting in financing operations of Federal land banks.

Expiration: When dissolved.

#### *Federal intermediate credit banks (12)*

Creation: Specific enabling statute, Agricultural Credits Act of 1923 (12 U. S. C. 1021), chartered by Federal Farm Loan Board (now Farm Credit Administration) March 1923.

Control: Organized by Federal Farm Loan Board. District Farm Credit Board of seven members with 3-year term, three elected by member associations and four appointed by the Governor of Farm Credit Administration, one of the four subject to nomination by member associations (borrowers). Operations under supervision of, and examination by, Farm Credit Administration. No current control by Congress, Treasury, or General Accounting Office. Bureau of the Budget reviews administrative expenses.

Borrowing power: Notes and debentures to an amount not exceeding 10 times the paid-in capital and surplus.

Sources of funds: Capital subscription financed by an appropriation. Current needs supplied by capital borrowing, and earnings.

Functions: Short-term loans and discounts for Government and private institutions engaged in financing farmers and farm-production activities.

Expiration: When dissolved.

Note.—Required to pay an annual franchise tax to the United States equal to 25 percent of net earnings after full provision for expenses, losses, and certain reserves.

#### *Federal Land Banks (12)*

Creation: Specific enabling statute, Federal Farm Loan Act of 1916 (12 U. S. C. 672), chartered by Federal Farm Loan Board in March and April 1917.

Control: Organized by directors of Federal land banks. District Farm Credit Board of seven members with 3-year term, three elected by member associations, and four appointed by Governor of Farm Credit Administration, one of the four subject to nomination by member associations (borrowers). Operations under supervision and examination by Farm Credit Administration. No current control by Congress, Treasury, Bureau of the Budget, or General Accounting Office.

Borrowing power: Bonds and notes not exceeding 20 times the paid-in capital and surplus.

Sources of funds: Capital subscriptions and paid-in surplus from appropriations, and also privately subscribed capital. Current needs supplied by capital, borrowing, and earnings.

Functions: Long-term first-mortgage loans on improved farm lands and issuance of farm loan bonds secured thereby.

Mixed ownership: National farm loan associations, through which loans are made, must subscribe to the capital stock in amount equal to 5 percent of loans. Such ownership at June 30, 1943, amounted to \$94,777,682 and Government at same date owned capital stock amounting to \$121,478,885. The Government additionally has invested \$141,617,869 in paid-in surplus. The United States does not participate in Federal land-bank earnings. Farm loan associations' stock is retired upon repayment of loans. United States stock and paid-in surplus may be retired by the directors subject to approval of the Governor of the Farm Credit Administration.

Expiration: When dissolved.

#### *Federal Surplus Commodities Corporation*

Creation: Federal Emergency Relief Administration, through its Administrator and the Secretaries of Agriculture and Interior, established the corporation, incorporating as a nonstock, nonprofit, membership body under the laws of Delaware October 4, 1933. Congress later took notice of the Corporation and recognized it as an agency of the United States.

Control: Board of directors, five for an indefinite term, appointed by the Secretary of Agriculture. No current control by Congress, Treasury or Bureau of the Budget; all transactions are audited by General Accounting Office. Now under Food Distribution Administration, War Food Administration, Department of Agriculture.

Borrowing power: Ordinary under charter. Sources of funds: Originally emergency relief funds granted to State and returned to the Corporation, as agent, for purchase and distribution of surplus agricultural commodities. Latterly allocations from various appropriations or from corporate funds of other corporations.

Functions: Originally relief and surplus agricultural commodities disposal. Latterly Texas timber salvage, general commodity purchase program for lend-lease, and emergency supply program for Territories and insular possessions.

Expiration: June 30, 1945.

#### *Production Credit Corporations (12)*

Creation: Specific enabling statute, Farm Credit Act of 1933 (12 U. S. C. 1131d), chartered by the Governor of Farm Credit Administration, August to December 1933.

Control: Organized by the directors of Federal land banks. District Farm Credit Board of seven members with 3-year term, three elected by member associations and four appointed by Governor of Farm Credit Administration, one of the four subject to nomination by member associations (borrowers). Current operations are supervised and examined by the Administration. No current control by Congress, Treasury, or General Accounting Office; Bureau of the Budget reviews administrative expense.

Borrowing power: None provided.

Sources of funds: Capital provided by Farm Credit Administration 120 millions of dollars revolving fund. Current needs supplied by repayments and investment income.

Functions: Organizing and financing production credit associations. Associations make short-term loans to farmers. Management assistance to the associations.

Expiration: When dissolved.

#### *Regional Agricultural Credit Corporations*

Creation: Specific enabling statute, Emergency Relief and Reconstruction Act of 1932

(12 U. S. C. 1148), chartered by Reconstruction Finance Corporation, September and October 1932.

Control: Organized by officers of Reconstruction Finance Corporation and Farm Board. Board of directors, various number of members, 1-year term, appointed by Farm Credit Administration. Current operations supervised and examined by the Administration. Reconstruction Finance Corporation advances the administrative expenses, which are under review by the Bureau of the Budget. No current control by Congress, Treasury, or General Accounting Office.

Borrowing power: Discount or borrow, with the approval of the Governor of Farm Credit Administration, at Reconstruction Finance Corporation, Federal intermediate credit banks, or other regional corporations.

Sources of funds: Capital and administrative expenses from Reconstruction Finance Corporation, reimbursable by the Treasury. Otherwise from repayments and earnings, and borrowing.

Functions: Emergency short-term loans to farmers and stockmen.

Expiration: With the establishment of the Production Credit Corporations in 1933, the regional corporations were placed in liquidation. Of the 12, however, 2 were revived—1 at Washington, D. C., and 1 at Minneapolis—to stimulate war-food production. These 2 are now merged into 1 at Washington.

#### DEPARTMENT OF COMMERCE

##### *Disaster Loan Corporation*

Creation: Direct statute, an act to provide loans made necessary by floods (15 U. S. C. 605k-1), chartered by act of Congress February 11, 1937.

Control: Organized by act of Congress. Two managing directors appointed by Reconstruction Finance Corporation for indefinite term. No current control by Congress, Treasury, or General Accounting Office; Bureau of the Budget reviews administrative expense. A loan activity under the Secretary of Commerce.

Borrowing power: None provided.

Sources of funds: Capital provided by Reconstruction Finance Corporation and later reimbursed by Treasury. The Corporation is authorized to use all its capital and earnings in carrying out its functions.

Functions: Providing loans for rehabilitation of property damaged or destroyed by floods or other catastrophes in years 1936 to January 22, 1947.

Expiration: When dissolved by Congress.

##### *Electric Home and Farm Authority*

This corporation was created under authority by the National Industrial Recovery Act, incorporated under the laws of Delaware January 14, 1934, replaced by a District of Columbia charter August 1, 1935, Executive Orders 6514 and 7139.

It is dissolved by Executive Order 9256, effective October 31, 1942, and its assets and liabilities taken over by Reconstruction Finance Corporation for liquidation, which is now completed.

##### *Export-Import Bank of Washington*

Creation: Executive Order 6581 under National Industrial Recovery Act (15 U. S. C. 702), incorporated under the laws of the District of Columbia February 12, 1934. Continued and extended by various acts of Congress (15 U. S. C. 713b).

Control: Organized by Secretaries of State and Commerce. Board of trustees, 11 with 1-year term, elected by Secretaries of State and Commerce. Administrative expense limitation under control of Congress, Treasury, Bureau of the Budget, and General Accounting Office; other transactions under no control in this respect. Now under supervision of Foreign Economic Administration.



**Borrowing power:** Notes or preferred stock, \$700,000,000 limit. Discount of rediscount its evidences of debt. Borrowing and rediscount subject to approval of the Secretary of the Treasury.

**Sources of funds:** Capital, common stock out of National Industrial Recovery appropriation, preferred by Reconstruction Finance Corporation. Current needs so far provided out of capital and operations.

**Functions:** Short-term credits to facilitate exports of agricultural and industrial products; discounts and rediscounts of notes, drafts, and bills of exchange facilitating exports; lending activities to stimulate foreign trade and aid in the war effort. All its resources are now at the disposal of the Foreign Economic Administration.

**Expiration:** When dissolved, not later than January 22, 1947.

#### *Inland Waterways Corporation*

**Creation:** Direct statute, an act to create the Inland Waterways Corporation (49 U. S. C. 151), chartered by this act June 3, 1924.

**Control:** Organized by act of Congress. Board of advisers with seven members appointed by the Secretary of Commerce for 5-year term. No current control by Congress, Treasury, Bureau of the Budget, or General Accounting Office. Under the Department of Commerce.

**Borrowing power:** Notes not to exceed 25 percent of total assets.

**Sources of funds:** Capital from appropriation. Current needs from operating revenues and investment income.

**Functions:** Water transportation service—operation of Federal Barge Lines and Warrior River Terminal. Research in connection with types of boats and water terminal facilities.

**Expiration:** When dissolved.

**Warrior River Terminal Company:** This corporation is wholly owned by the Inland Waterways Corporation, and its transactions are included in the accounts of the Waterways Corporation. It operates 18½ miles of railroad from Warrior River to Ensley, Ala. It was incorporated privately under the laws of Alabama and was acquired February 12, 1926.

#### *Reconstruction Finance Corporation*

**Creation:** Direct statute, Reconstruction Finance Corporation Act (15 U. S. C. 601), chartered by this act January 22, 1932.

**Control:** Organized by act of Congress. Board of directors, five members, 2-year term, appointed by the President, subject to Senate confirmation. Administrative expense limitation subject to Congress and Bureau of the Budget. No similar control over other current operations or transactions. A loan activity under the Secretary of Commerce.

**Borrowing power:** Notes, guaranteed by the United States, with approval of the Secretary of the Treasury, under various laws, to a limitation of \$17,030,244,557, as of March 31, 1944.

**Sources of funds:** Capital stock subscription paid for by appropriation. Current needs supplied in operations and borrowing from Treasury on 1 percent notes.

**Functions:** Lending activities—to aid in financing agriculture, commerce, and industry; financial institutions, transportation, and insurance; loans to local public bodies. To create or acquire (expired June 30, 1943), and finance corporations for war activities.

**Expiration:** January 22, 1947.

#### *Defense Plant Corporation*

**Creation:** General enabling statute, an act to amend Reconstruction Finance Corporation Act (15 U. S. C. 606b), chartered by Reconstruction Finance Corporation August 22, 1940.

**Control:** Organized by officers of Reconstruction Finance Corporation. Board of

directors, seven members, 1-year term, appointed by Reconstruction Finance Corporation. No current control by Congress, Treasury, or General Accounting Office; administrative expense reviewed by Bureau of the Budget. Subsidiary of Reconstruction Finance Corporation.

**Borrowing power:** Financed by Reconstruction Finance Corporation.

**Sources of funds:** Capital from Reconstruction Finance Corporation. Current needs out of capital, borrowing from Reconstruction Finance Corporation, and operations.

**Functions:** Erection and leasing, and financing, plants and facilities for production and transportation of war materials. National Defense and World War No. 2.

**Expiration:** January 22, 1947.

#### *Defense Supplies Corporation*

**Creation:** General enabling statute, an act to amend Reconstruction Finance Corporation Act (15 U. S. C. 606b), chartered by Reconstruction Finance Corporation August 29, 1940.

**Control:** Organized by officers of, board of directors appointed by Reconstruction Finance Corporation. Board has eight members with 1-year term. No current control by Congress, Treasury, or General Accounting Office; administrative expense reviewed by Bureau of the Budget. Subsidiary of Reconstruction Finance Corporation.

**Borrowing power:** Financed by Reconstruction Finance Corporation.

**Sources of funds:** Capital from Reconstruction Finance Corporation. Current needs out of capital, borrowing from Reconstruction Finance Corporation, and operations.

**Functions:** Production, acquisition, storing, selling, or otherwise dealing in strategic and critical materials. Making loans to finance development, production, and transportation of war materials. National defense and World War No. 2.

**Expiration:** January 22, 1947.

#### *Federal National Mortgage Association*

**Creation:** General enabling statute, National Housing Act (12 U. S. C. 1716), chartered by Federal Housing Administration February 10, 1938.

**Control:** Organized by officers of Reconstruction Finance Corporation. Board of directors, nine members with 1-year term, appointed by Reconstruction Finance Corporation. No current control by Congress, Treasury, or General Accounting Office. Administrative expense reviewed by Bureau of the Budget. Under supervision of Reconstruction Finance Corporation, and examination by Federal Housing Administration.

**Borrowing power:** Bonds, notes, and debentures, not exceeding 20 times the paid-in capital and surplus.

**Sources of funds:** Capital by Reconstruction Finance Corporation. Current needs out of capital, borrowing, and operations.

**Functions:** Acts as a bank of discount for title II National Housing Act insured mortgages. Loans secured by insured mortgages.

**Expiration:** When dissolved.

#### *Metals Reserve Company*

**Creation:** General enabling statute, an act to amend the Reconstruction Finance Corporation Act (15 U. S. C. 606b), chartered by Reconstruction Finance Corporation June 28, 1940.

**Control:** Organized by officers of, board of directors appointed by Reconstruction Finance Corporation. Board has six members, 1-year term. No current control by Congress, Treasury, or General Accounting Office; administrative expense reviewed by Bureau of the Budget. Subsidiary of Reconstruction Finance Corporation.

**Borrowing power:** Financed by Reconstruction Finance Corporation.

**Sources of funds:** Capital from Reconstruction Finance Corporation. Current needs out of capital, borrowing from Reconstruction Finance Corporation, and operations.

**Functions:** Production, acquisition, storing, selling, or otherwise dealing in strategic and critical metals. National defense and World War No. 2.

**Expiration:** January 22, 1947.

#### *Petroleum Reserves Corporation*

**Creation:** General enabling statute, an act to amend the Reconstruction Finance Corporation Act (15 U. S. C. 606b), chartered by Reconstruction Finance Corporation June 30, 1943.

**Control:** Organized by officers of, board of directors of an undetermined number with 1-year term appointed by, Reconstruction Finance Corporation. The charter as amended August 9, 1943, provides that the Administrator of the Foreign Economic Administration shall appoint, and the Board is presently composed of the Secretaries of State, War, Navy, and Interior. No current control by Congress, Treasury, Bureau of the Budget, or General Accounting Office. Now under supervision Foreign Economic Administration.

**Borrowing power:** Financed by Reconstruction Finance Corporation.

**Sources of funds:** Capital to be furnished by Reconstruction Finance Corporation. Current needs from borrowing from Reconstruction Finance Corporation.

**Functions:** Exploration and acquisition of petroleum reserves outside the continental United States—and development, including facilities, of such reserves.

**Expiration:** January 22, 1947.

#### *The RFC Mortgage Company*

**Creation:** General enabling statute, an act extending functions of Reconstruction Finance Corporation (15 U. S. C. 605), incorporated under the laws of Maryland March 14, 1935.

**Control:** Organized by officers of, board of directors of seven members with 1-year term appointed by, Reconstruction Finance Corporation. Administrative expense limitation under current control by Congress and Bureau of the Budget. No similar control of other transactions. Subsidiary of Reconstruction Finance Corporation.

**Borrowing power:** Limited by Reconstruction Finance Corporation authority on loans outstanding under section 5c of its act—shall not exceed at any one time \$100,000,000 (15 U. S. C. 606i).

**Sources of funds:** Capital from Reconstruction Finance Corporation. Current needs from capital, borrowing from Reconstruction Finance Corporation, and operations.

**Functions:** Making mortgage loans on income-producing real property—apartments, hotels, business, and office buildings—for construction or refinancing.

**Expiration:** When dissolved.

#### *Rubber Development Corporation*

**Creation:** Incorporated privately under the laws of Delaware November 20, 1940, as the Pacific Development Co., Inc., acquired by the Defense Supplies Corporation February 10, 1943, later transferred to Reconstruction Finance Corporation. The Delaware charter was amended February 18, 1943, to change the name to Rubber Development Corporation. Acquisition is based on the authority of an act to amend the Reconstruction Finance Corporation Act (15 U. S. C. 606b).

**Control:** The Corporation and its functions, powers, and duties (together with

those of Reconstruction Finance Corporation and the Secretary of Commerce), were transferred to the Office of Economic Warfare (the Foreign Economic Administration) July 15, 1943. No current control by Congress, Treasury, or General Accounting Office; administrative expense reviewed by Bureau of the Budget through an informal agreement.

**Borrowing power:** Reconstruction Finance Corporation supplies necessary funds through loans under terms and conditions determined by the Director of War Mobilization.

**Sources of funds:** Capital from Reconstruction Finance Corporation. Current needs from capital, borrowing, and operations.

**Functions:** Development and procurement of natural rubber, principally in Latin America, disposal through Rubber Reserve Company. World War No. 2.

**Expiration:** January 1, 1947.

#### *Rubber Reserve Company*

**Creation:** General enabling statute, an act to amend the Reconstruction Finance Corporation Act (15 U. S. C. 606b), chartered by Reconstruction Finance Corporation, June 23, 1940.

**Control:** Organized by officers of, board of directors of six with 1-year term appointed by, Reconstruction Finance Corporation. No current control by Congress, Treasury, or General Accounting Office; administrative expense reviewed by Bureau of the Budget. Subsidiary of Reconstruction Finance Corporation.

**Borrowing power:** Financed by Reconstruction Finance Corporation.

**Sources of funds:** Capital from Reconstruction Finance Corporation. Current needs from capital, borrowing from Reconstruction Finance Corporation, and operations.

**Functions:** Acquiring crude rubber (sole importer), aiding in establishment of synthetic rubber plants, acquiring scrap rubber. Handles Rubber Development Corporation's production. National defense and World War No. 2.

**Expiration:** January 22, 1947.

#### *United States Commercial Company*

**Creation:** General enabling statute, an act to amend the Reconstruction Finance Corporation Act (15 U. S. C. 606b), chartered by Reconstruction Finance Corporation, March 26, 1942.

**Control:** Organized by officers of, and board of directors of nine with 1-year term appointed by, Reconstruction Finance Corporation. The functions, powers, and duties of the Company (together with those of the Reconstruction Finance Corporation and of the Secretary of Commerce) were transferred to the Office of Economic Warfare (now Foreign Economic Administration) July 15, 1943, which may reconstitute the Board. No current control by Congress, Treasury, or General Accounting Office; administrative expense reviewed by Bureau of the Budget through an informal arrangement.

**Borrowing power:** Financed by Reconstruction Finance Corporation.

**Sources of funds:** Capital from Reconstruction Finance Corporation. Current needs from capital, borrowing from Reconstruction Finance Corporation, and operations.

**Functions:** Acquisition, storing, selling, or otherwise dealing in strategic and critical materials, and to acquire any materials necessary in the prosecution of economic warfare. World War No. 2.

**Expiration:** January 22, 1947.

#### *War Damage Corporation*

**Creation:** General enabling statute, an act to amend the Reconstruction Finance Corporation Act (15 U. S. C. 606b), chartered by Reconstruction Finance Corporation December 13, 1941.

**Control:** Organized by officers of, and board of directors of nine members with 1-year term appointed by, Reconstruction Finance Corporation. No current control by Congress, Treasury, or General Accounting Office; administrative expense reviewed by Bureau of the Budget. Subsidiary of Reconstruction Finance Corporation.

**Borrowing power:** Financed by Reconstruction Finance Corporation.

**Sources of funds:** Capital from Reconstruction Finance Corporation. Current needs from capital and operating revenues.

**Functions:** To provide insurance against loss or damage to real and personal property which may result from enemy attack. World War No. 2.

**Expiration:** January 22, 1947.

#### DEPARTMENT OF THE INTERIOR

##### *The Virgin Islands Company*

This company was organized by the Secretary and Assistant Secretary of the Interior and the Governor of the Virgin Islands and was incorporated by the Colonial Council of the Municipalities of St. John and St. Thomas April 16, 1934.

A board of trustees, three members with indefinite terms, appointed under an ordinance of the government of the Virgin Islands, manages the Company.

Its charter provides general borrowing power.

It started on a loan by the Federal Surplus Commodities Corporation (later paid by a grant by Federal Emergency Relief Administration) and had grants (through the Virgin Islands Government) made by Federal Emergency Relief Administration and by Federal Emergency Administration of Public Works—all to an amount of \$885,900.

It operates factories, mines, farms, and other enterprises with a stated purpose of effecting the economic rehabilitation of the islands.

#### DEPARTMENT OF JUSTICE

##### *Federal Prison Industries, Inc.*

**Creation:** Specific enabling statute, an act to authorize a body corporate (18 U. S. C. 744i), chartered by the President, Executive Order 6917, December 11, 1934.

**Control:** Organized by the President. Board of directors, five members with indefinite term, appointed by the President, subject to confirmation by the Senate. No current control by Congress or Bureau of the Budget, but subject to Treasury warrant and General Accounting Office audit and settlement. Under supervision of the Bureau of Prisons in the Department of Justice.

**Borrowing power:** No provision.

**Sources of funds:** No capital stock. Original capital provided by transfer of prison industries fund, and assets related thereto. Current needs supplied by operations.

**Functions:** To provide employment and training of prison inmates; production of articles and commodities for Government use including war goods; trade training schools.

The board members represent agriculture, industry, labor, the public, and the Attorney General.

**Expiration:** When dissolved.

#### WAR DEPARTMENT

##### *United States Spruce Production Corporation*

**Creation:** Specific enabling statute, an act making appropriation for the support of the Army (40 Stat. 888), incorporated under the laws of the State of Washington, August 20, 1918.

**Control:** Organized by the Director of Aircraft Production, United States Army. Board of directors, three members, indefinite term, appointed by the Secretary of War. No current control by Congress, Treasury, Bureau of the Budget, or General Accounting Office.

**Borrowing power:** None.

**Sources of funds:** Capital supplied by appropriation; otherwise from capital and operations.

**Functions:** To stimulate spruce production for aircraft construction during World War No. 1.

**Expiration:** In liquidation.

#### EXECUTIVE OFFICE OF THE PRESIDENT

##### *Cargoes, Inc.*

**Creation:** Incorporated privately, October 30, 1941, as Ships, Inc., under the laws of the State of New York. Acquired by Reconstruction Finance Corporation for Lend-Lease Administration, June 17, 1942, and name changed to Cargoes, Inc. The acquisition was made by Presidential directive under Reconstruction Finance Corporation authority to create corporations (15 U. S. C. 606b).

**Control:** Board of directors, nine members, 1-year term, appointed by Lend-Lease Administrator. No current control by Congress, Treasury, Bureau of the Budget, or General Accounting Office; but arrangements are under way to submit accounts to the latter for audit.

**Borrowing power:** Ordinary under charter.

**Sources of funds:** Capital by allocations to Reconstruction Finance Corporation out of lend-lease appropriations. Current needs from capital and further lend-lease allocations.

**Functions:** Experimental design, engineering and construction in watercraft and aircraft for war and commerce.

**Expiration:** When dissolved.

##### *Corporations Organized by Coordinator of Inter-American Affairs*

The following corporations were established by the Coordinator of Inter-American Affairs under authority expressed in certain appropriations acts. All were incorporated under the laws of Delaware.

**Institute of Inter-American Affairs:** To carry out programs in the Western Hemisphere concerning health, sanitation, food production, education. Created March 31, 1942 (55 Stat. 819).

**Institute of Inter-American Transportation:** To assist and improve the means and methods of transportation in the Western Hemisphere, particularly the rehabilitation of the Mexican National Railways. Created June 26, 1943 (56 Stat. 708).

**Inter-American Educational Foundation, Inc.:** To carry out an inter-American educational program by means of modern educational techniques and teaching aids, and training teachers and school administrators. Created September 25, 1943 (57 Stat. 529).

**Inter-American Navigation Corporation:** To construct, acquire, and operate wooden vessels to supplement ocean shipping facilities in the Western Hemisphere, primarily in the Gulf and Caribbean areas. Created July 14, 1942. Now in liquidation (55 Stat. 819).

**Prencinradio, Inc.:** To develop and encourage a wider distribution of information in the American republics. Created July 20, 1942 (55 Stat. 819).

All were established as World War No. 2, emergency, nonprofit agencies. Funds are provided by allocations out of appropriations to the Coordinator and to the President's emergency funds.

Each is managed by a board of directors, various number of members, 1-year term, appointed by the Coordinator. No current control by Congress or Treasury. The Bureau of the Budget exercises partial control over these corporations by establishment of personnel ceilings, and is kept currently advised as to their activities through an informal arrangement with the Office of the Coordinator. Arrangements for the audit of the transactions by the General Accounting Office have been completed.



Inter-American Navigation Corporation expires July 14, 1952, and is now in liquidation; others when dissolved.

#### *Smaller War Plants Corporation*

Creation: Direct statute, an act to mobilize the production facilities of small business (50 U. S. C. 1104), chartered by this act June 11, 1942.

Control: Organized by act of Congress. Board of directors, five members with indefinite terms, appointed by the Chairman of War Production Board. Administrative expense limitation under control of Congress, Treasury, Budget, and General Accounting Office. No similar control over other current transactions. Under War Production Board.

Borrowing power: None provided.

Sources of funds: Capital provided by appropriation. Current needs supplied out of capital and operations.

Functions: Mobilizing production capacity, and determining means by which small business concerns can be utilized to augment war production. Interest-earning loans to small war plants.

Expiration: July 1, 1945.

#### *NATIONAL HOUSING AGENCY*

##### *Defense Homes Corporation*

Creation: Allocation letter of the President, dated October 18, 1940, allocating funds to the Federal Loan Administrator for its capitalization, pursuant to authority contained in the Military Appropriation Act, 1941 (54 Stat. 377), and the Naval Appropriation Act, 1941 (54 Stat. 297). Incorporated under the laws of Maryland October 23, 1940.

Control: Organized by officers of Reconstruction Finance Corporation at direction of Federal Loan Administrator. Board of directors, eight members, 1-year term, one appointed by Reconstruction Finance Corporation and seven by National Housing Agency. No current control by Congress, Treasury, or General Accounting Office; Bureau of the Budget reviews administrative expense. Now a division of the National Housing Agency and coordinated with Federal Public Housing Authority.

Borrowing power: Ordinary under charter.

Sources of funds: Capital by allocation out of President's emergency appropriation, which was subsequently reimbursed from funds appropriated for this purpose by section 3 of the act of October 14, 1940 (53 Stat. 1126). Current needs from capital, borrowing from Reconstruction Finance Corporation, and operations.

Functions: Construction of housing in war plant areas and operation of completed housing on a rental basis. National Defense and World War No. 2.

Expiration: When dissolved.

##### *Federal Home Loan Banks (12)*

Creation: Specific enabling statute, Federal Home Loan Banks Act (12 U. S. C. 1437), chartered by the Federal Home Loan Bank Board October 1932.

Control: Organized by the Federal Home Loan Bank Board. Federal Home Loan Bank Commissioner (superseding F. H. L. B.) appointed by the President for an indefinite term, subject to Senate confirmation. No current control by Congress, Treasury, Bureau of the Budget, or General Accounting Office. Under supervision of, and examination by, Federal Home Loan Bank Administration in the National Housing Agency.

Borrowing power: Debentures under terms and conditions prescribed by the Home Loan Bank Commissioner, not to exceed five times the paid-in capital.

Sources of funds: Capital stock, Reconstruction Finance Corporation and member institutions. Current needs supplied by capital, operations, and borrowing.

Functions: To provide credit for home financing institutions—loans to member institutions.

Mixed ownership: Member institutions own capital stock in the banks to an amount of \$54,720,850 and the United States through Reconstruction Finance Corporation owns \$124,741,000. The United States does not participate in earned surplus, but shares equally in dividends. Its stock may be retired at any time subject to the provisions of the act of June 27, 1934 (48 Stat. 1264). Member institution stock is retired upon termination of membership.

Expiration: When dissolved.

#### *Federal Public Housing Authority*

(Formerly U. S. Housing Authority)

Creation: Direct statute, United States Housing Act of 1937 (42 U. S. C. 1403), chartered by act of Congress September 1, 1937.

Control: Organized by act of Congress. One Commissioner appointed by the President, subject to Senate confirmation, for a 5-year term. Currently under control of Congress as to administrative expense (except for Public Works Administration projects) and housing subsidies, similarly subject to Treasury warrants and Bureau of the Budget review. All transactions subject to audit by General Accounting Office. Constituent unit of the National Housing Agency.

Borrowing power: May issue notes, debentures, or otherwise, guaranteed by the United States, with the approval of the Secretary of the Treasury, not to exceed \$800,000,000—for periods not to exceed 60 years.

Sources of funds: Appropriations and proceeds, note borrowing. Receipts in housing operation and maintenance, and interest on loans.

Functions: Assisting public-housing bodies to provide low-rental housing—annual subsidy contributions, capital grants, and loans. Administration of housing projects and limited-dividend housing corporations developed by the Public Works Administration, and of certain resettlement projects formerly under Farm Security Administration.

Expiration: When dissolved.

#### *Federal Savings and Loan Insurance Corporation*

Creation: Direct statute, National Housing Act (12 U. S. C. 1725), chartered by act of Congress June 27, 1934.

Control: Organized by act of Congress. Federal Home Loan Bank Commissioner appointed by the President, subject to confirmation by the Senate for an indefinite term. Administrative expense is subject to limitation by Congress, Treasury warrant, Bureau of the Budget, and General Accounting Office; no control in these respects over other current transactions. Under supervision of Federal Home Loan Bank Administration in National Housing Agency.

Borrowing power: For its legal purposes, bonds or debentures under terms and conditions prescribed by the Home Loan Bank Commissioner.

Sources of funds: Capital stock purchased by Home Owners' Loan Corporation and paid for in bonds. Current needs supplied by assessments upon insured savings and loan associations and investment income.

Functions: Insurance of accounts of savings and loan associations, assessments upon associations for insurance premiums. Restoration or liquidation of insured embarrassed associations.

Expiration: When dissolved.

#### *Home Owners' Loan Corporation*

Creation: Specific enabling statute, Home Owners' Loan Act (12 U. S. C. 1463a), chartered by the Federal Home Loan Bank Board June 14, 1933.

Control: Organized by members of the Federal Home Loan Bank Board. Federal Home Loan Bank Commissioner appointed by the President for an indefinite term, subject to Senate confirmation. Administrative expense limitation under current control by

Congress, Treasury, and Bureau of the Budget; all transactions audited by General Accounting Office—a division of Federal Home Loan Bank Administration in the National Housing Agency.

Borrowing power: Bonds, guaranteed by the United States, with approval of the Secretary of the Treasury, limitation \$4,750,000,000. Lending authority expired June 12, 1936. New issues may be only for refunding.

Sources of funds: Capital stock by Reconstruction Finance Corporation, later reimbursed by Treasury. Current needs supplied by loan repayments and interest.

Functions: Emergency long-term mortgage loans to distressed urban home owners.

Expiration: June 12, 1936 (now in liquidation).

#### *United States Housing Corporation*

Creation: General enabling statute, an act to authorize the President to provide housing for war needs (40 Stat. 550), incorporated under the laws of the State of New York July 8, 1918.

Control: Organized by the Secretary of Labor. Presently under the Federal Home Loan Bank Commissioner in the National Housing Agency. Liquidation expense under Congress and Bureau of the Budget limitation, all transactions submitted to General Accounting Office for audit and settlement.

Borrowing power: None.

Sources of funds: Capital out of an appropriation; current needs from capital and operations.

Functions: World War No. 1 housing.

Expiration: In liquidation.

#### *INDEPENDENT CORPORATIONS*

##### *FEDERAL DEPOSIT INSURANCE CORPORATION*

Creation: Direct statute, Banking Act of 1933 (12 U. S. C. 264a), chartered June 16, 1933, by act of Congress.

Control: Organized by act of Congress. Board of directors, three for 5- and 6-year terms, Comptroller of the Currency by law, and two appointed by the President with advice and consent of the Senate. No current control by Congress, Treasury, Bureau of the Budget, or General Accounting Office. Independent establishment.

Borrowing power: Bonds, notes, and debentures not exceeding three times amount of capital stock plus assessments on member banks in 1936.

Sources of funds: Capital subscribed and paid in by appropriation for Government's share, other by Federal Reserve banks. Current needs out of assessments on insured banks and investment income.

Functions: To insure accounts of bank depositors (up to \$5,000 on individual account). Assessments on insured banks, examinations of insured banks, receiverships of closed banks. Incidentally supervises and examines Federal credit unions.

Mixed ownership: Of the total share capital, the United States paid in \$150,000,000, and Federal Reserve banks \$139,299,557. No provision is made for retirement of stock, for dividends, or for voting.

Expiration: When dissolved.

##### *PANAMA RAILROAD COMPANY*

Creation: Privately incorporated under the laws of the State of New York, April 7, 1849, and acquired by purchase June 28, 1902. Acquisition was had under an act to provide for the construction of a canal (32 Stat. 481).

Control: The Secretary of War is the principal stockholder on behalf of the United States and appoints 13 directors with an indefinite term. No current control by Congress, Treasury, Bureau of the Budget, or General Accounting Office. Independent establishment.

Borrowing power: Only charter provisions with no particular limit beyond the discretion of the board of directors. No outstanding securities at present time.

Source of funds: Appropriation for acquisition. Current needs supplied by operations.

Functions: Adjunct to the Panama Canal and Canal Zone. Operates a railroad across the Isthmus of Panama; steamship lines; farms, industries, services, coaling stations, commissaries, hotels, and other facilities in the Canal Zone. Exercising monopolies in its many fields is highly profitable and dividend returns to the Government are approaching a total of 200 percent of the investment.

Expiration: When dissolved.

#### TENNESSEE VALLEY ASSOCIATED COOPERATIVES, INC.

This Corporation was organized by the Board of Directors of the Tennessee Valley Authority on January 23, 1934, and incorporated under the laws of Tennessee.

Its purpose is to administer a grant of \$300,000 made to the State of Tennessee by the Federal Emergency Relief Administration for use in financing cooperatives in the Tennessee Valley area.

There seems to be no statutory authority under which the Board of the Tennessee Valley Authority could organize a corporation.

The Corporation was organized with an authorized capital stock of 100 shares with no par value, to commence business with a minimum capital of \$1,000. No cash was paid for the stock, which was issued in the name of the United States. The \$300,000 grant is set up on the books of the Corporation as \$1,000 capital and \$299,000 paid-in surplus.

It has a board of three directors appointed by the Board of the Tennessee Valley Authority and has usual charter powers including that to borrow on notes, bonds, and other obligations. It is under no current control by any Federal agency.

#### TENNESSEE VALLEY AUTHORITY

Creation: Direct statute, Tennessee Valley Authority Act of 1933 (16 U. S. C. 831), chartered by this act May 18, 1933.

Control: Organized by act of Congress. Board of Directors, 3 members with a 9-year term appointed by the President, subject to Senate confirmation. All transactions under current control by Congress, Treasury, Bureau of the Budget, and General Accounting Office; however, in the case of General Accounting, control is less complete and less strict than that over regular Government agencies. Independent establishment.

Borrowing power: Bonds as specified in Tennessee Valley Authority Act, as amended, guaranteed by the United States \$61,772,560, on credit of United States \$8,300,000, subject to approval by the Secretary of the Treasury.

Sources of funds: No capital stock. Construction and other needs supplied by appropriations and revenue receipts. Borrowing for particular purposes.

Functions: Navigation and flood control on the Tennessee River and its tributaries, and including major water-power projects. Generation and distribution of electric energy. Production of strategic war supplies.

Expiration: When dissolved.

#### CORPORATIONS CREATED PRIVATELY OR QUASI PRIVATELY AND WITH WHICH THE GOVERNMENT MAY HAVE A PROPRIETARY INTEREST OR A CONTRACTUAL RELATION

Alaska Rural Rehabilitation Corporation: Established and initially financed by the Federal Emergency Relief Administration in 1935 to manage the Matanuska Colony in Alaska. Incorporated under the laws of Alaska Territory.

American President Lines, Ltd.: This is a Delaware corporation created in 1929, and in 1938 the United States Maritime Commission acquired class A and class B stock in nominal value \$2,666,303. This represents approximately 93 percent of the voting power and approximately 76 percent of the common

stock equity, but is junior in equity to 34,189 shares of 5-percent noncumulative preferred stock with a par value of \$100 per share. No cash was paid by the Commission, the acquisition resulting from a settlement of accounts between the Dollar Steamship Line and the Commission. Consideration is being given to the possibility of bringing about private ownership of the lines at an appropriate time. A special report of the United States Maritime Commission on the reorganization of the American President Lines, Ltd., was transmitted to Congress on April 10, 1939.

Colonial Mica Corporation: This corporation operates only as an agency of Metals Reserve Company to develop mica resources.

Copper Recovery Corporation: Acts similarly to salvage copper—acquisition, handling, and disposition. No longer active.

Steel Recovery Corporation: Acts only as an agency of Metals Reserve Company to salvage steel—acquisition, handling, and disposition. No longer active.

Textile Foundation, Inc.: Created as a body corporate of the District of Columbia June 11, 1930 (15 U. S. C. 501). The corporation was created to administer and expend its funds and property for scientific and economic research for the benefit and development of the textile industry and its allied branches. The Government's interest involves the proper administration of a fund of \$2,000,000 transferred from the Textile Alliance, Inc., to the Textile Foundation. This amount represented profits in buying and selling German dyes by the Alliance under an arrangement with the State Department. The Foundation reports to Congress and to the President annually (15 U. S. C. 505).

War Emergency Pipelines, Inc.: Was organized to construct the Government 24-inch pipe line as the agent of Defense Plant Corporation. Later Defense Supplies Corporation leased the pipe line and appointed the War Emergency Pipelines as its agent to manage and operate the line.

War Hemp Industries, Inc.: Is employed as an independent contractor for managerial services for hemp mills built by Defense Plant Corporation and leased to Commodity Credit Corporation, and as agent for buying and selling hemp for account of Commodity Credit Corporation. Commodity Credit provides operating funds on a loan basis and has supervisory control.

War Materials, Inc.: Was organized at the request of Metals Reserve Company for the purpose of acting as agent for the acquisition, handling, and disposition of all types of scrap material. No longer active.

Welfare and Recreational Association of Public Buildings and Grounds: This organization was established in December 1926 by the then Superintendent of Public Buildings and Public Parks of the National Capital and incorporated under the laws of the District of Columbia as a nonstock, nonprofit, charitable corporation. It has been held by the Comptroller General to be a Federal agency.

The purposes of the association are to operate cafeterias and stands in Federal buildings for Federal employees; to render first aid in case of sickness or accident; to assist Government employees in case of emergency or distress; to conduct tourist camps, bathing pools, tennis courts, and other recreational facilities.

The Government provided no funds by way of capital or for operation. The association conducts its operations rent free in Government buildings and on Government property and utilizes the facilities thereof.

After setting up a reserve of \$25,000, and maintaining a cash balance of \$10,000, 50 percent of the net profit, computed after deducting all expenses and cost of establishing new activities and the employment of existing ones, is paid over to the United States.

Receipts and expenditures are audited by the General Accounting Office.

Farmers' Home Corporation: Was authorized and chartered by Congress (7 U. S. C. 1014) in 1937 to administer farm tenancy and rural rehabilitation (new functions of the Farm Security Administration). Organization has not been completed and so far the Corporation remains inactive.

#### SECTION IV. FINANCIAL CONDITION

The corporate form is used to establish a revolving fund and maintain a constant source of cash and credit from capital invested and borrowing power.

Table 1 is a combined balance sheet of the several corporations as of June 30, 1943. This table is in three parts—Part I, Assets; Part II, Liabilities; Part III, Net worth.

Part I discloses total assets of \$20,400,000,000 net—\$27,000,000,000 gross, less \$6,600,000,000 in intercorporate assets. Of the gross total \$6,300,000,000 were in loans; \$6,300,000,000 in other receivables; \$6,000,000,000 in land, structures, and equipment; \$2,000,000,000 in commodities, supplies, and materials. These assets are stated "Net of reserves," which reserves are fixed by the several corporations. No reserve is established in respect to Defense Plant Corporation's more than \$4,000,000,000 worth of land, structures, and equipment. The Corporation is fully cognizant of possible losses, but finds itself without any suitable basis for a determination. This latter statement has varying application to all war corporations.

Part II shows liabilities as \$16,300,000,000 net—\$22,500,000,000 gross, less \$6,200,000,000 in intercorporate liabilities. Of the combined total, \$18,400,000,000 were in bonds, notes, and debentures, and of which \$7,500,000,000 were held by the Treasury.

Part III, net worth, shows proprietary interest on the part of the Government as \$3,700,000,000 net, and private ownership as \$440,000,000. The Government does not participate in the earned surplus of the Federal land banks or the Federal home-loan banks; dividends, however are paid on home-loan banks' stock owned by the Government. All earned surplus is waived in the case of the Federal Deposit Insurance Corporation and of the Federal Savings and Loan Insurance Corporation to establish a reserve for possible insurance losses; this is done on account of the lack of actuarial experience in the fields of the two corporations. Corporations having mixed ownership are the banks for cooperatives, Federal land banks, Federal Deposit Insurance Corporation, and Federal home-loan banks.

The proprietary interest of the Government is analyzed into capital stock, nonstock capital, paid-in surplus, and earned surplus.

Table 2 is a statement of the profit or loss—operating income, operating expense, adjustments—for the fiscal year ended June 30, 1943. Profit and loss means little at this time, and it will be years before the results of operations will be known. For the most part operations cannot be measured by profit and loss.

It would be well at this time to consider the return of Government capital to the Treasury. This should include the corporations under the Farm Credit Administration—banks for cooperatives, Federal intermediate credit banks, Federal land banks, production credit corporations—the Farm Credit Administration is possibly husbanding the resources of these institutions to an unwarranted degree. Federal home-loan banks could turn back an important part of their Government capital. Home Owners' Loan Corporation could be liquidated in a short time by selling its assets in the present favorable market. Liquidation of other corporations—United States Spruce Production, United States Housing, Inter-American Navigation Corporation—should be concluded with dispatch. Spruce Production and Housing have been in liquidation for more than 25 years.



## SECTION V. CONDITIONS UNDER WHICH ORGANIZED

A majority of Government corporations were created during some crisis or emergency.

Commodity Credit Corporation came under the National Industrial Recovery Act and would have expired in 1935, but Congress validated and expanded the Corporation. It is now operating under its original name but with entirely new duties. Its development and present existence are due to crises of various sorts, the last being the present war. Federal Surplus Commodities Corporation, another product under National Industrial Recovery, has a similar history.

Credit institutions under Farm Credit Administration, except for Federal land banks, are largely the result of the farm crisis, which began some time before the 1929 crisis. Federal Crop Insurance Corporation is also a result of the agricultural crisis, although it came at a later date. The break in land-bank bonds brought about the creation of Federal Farm Mortgage Corporation with its United States guaranteed bonds.

Reconstruction Finance Corporation and Federal home-loan banks came with the depression. The subsidiaries of Reconstruction Finance, including those presently under Foreign Economic Administration, were established, the most part, for World War II purposes. This is also true of the corporations organized under the Coordinator of Inter-American Affairs. Export-Import Bank, however, is a hold-over from National Industrial Recovery.

Disaster Loan Corporation was to relieve suffering from floods and other catastrophes. Inland Waterways succeeded to Inland and Coastwise Waterways Service. Smaller War Plants Corporation is a result of World War II, as is also Defense Homes Corporation.

Federal Public Housing Authority (formerly United States Housing Authority), was created under the United States Housing Act of 1937 to take over and continue the housing operations of the Federal Emergency Administration of Public Works.

Home Owners' Loan and Federal Savings and Loan Insurance Corporations were also depression born, as was also Federal Deposit Insurance.

Some question may be raised as to the organization or creation of Federal Surplus Commodities Corporation, Virgin Islands Company, and Tennessee Valley Associated Cooperatives, Inc.

The Federal Surplus Commodities Corporation was organized by the Federal Emergency Relief Administration without any apparent statutory authority, but was later recognized by Congress as an agency of the United States.

Virgin Islands Company was organized by the Secretary of the Interior under a Virgin Islands charter and financed by Federal Emergency Relief Administration and Public Works Administration grants to the islands.

Tennessee Valley Associated Cooperatives, Inc., was organized by the Tennessee Valley Authority under the laws of Tennessee and financed by a Federal Emergency Relief Administration grant to the State.

It would seem that the first of these two organizations belongs to the Virgin Islands and the second to the State of Tennessee. The Tennessee Valley Associated Cooperatives is now abandoned by Tennessee Valley Authority and is running on its own.

Reconstruction Finance Corporation has been used for various financial purposes by Congress since 1933, its life and borrowing power accordingly extended.

## SECTION VI. DEVELOPMENT

The magnitude of Government corporations, particularly of Reconstruction Finance Corporation and Commodity Credit Corporation, is now so great as to rival Government proper. In many cases, they exercise power and influence even greater than do depart-

ments and establishments. The growth of corporations and credit agencies, from 1933 to 1938 and to 1943 is illustrated in table 7.

Government corporations to a great degree do business in competition with private enterprise. They encroach upon and compete with business, which is under serious disadvantage. They have practically unlimited Government credit at low rates of interest (in the case of Reconstruction Finance Corporation and Commodity Credit Corporation, directly from the Treasury at 1 percent); freedom from Federal, State, and local taxation, except taxes on real estate; and they enjoy the privilege of penalty mail and concessions similar to those enjoyed by regular Federal agencies. Add to these the prestige of a Government agency and business meets an invincible competitor.

Extracorporate functions are undertaken, sometimes imposed by Congress. Witness expenditures undertaken by the Reconstruction Finance Corporation for which reimbursement was made by the Treasury canceling Reconstruction Finance Corporation obligations to an amount of \$2,800,000,000. Latterly Reconstruction Finance Corporation and Commodity Credit Corporation have carried on payments of subsidies and buying and selling at a loss in price-support and similar activities. In this respect, subsidiaries or affiliates of the Reconstruction Finance Corporation may be included.

The number of corporations and the interrelations and intertransactions are building up a huge organization. With frequent changes in control much confusion results. From simple beginnings, each with a definite field, there has grown up a vast network, the final results of the operations of which may not be known definitely for years to come.

## Tax exemptions

Notes, debentures, bonds or other obligations of Government corporations issued after March 28, 1942, are subject to all Federal taxes. Any such obligations issued prior to that date are subject to all Federal taxes except the normal income tax. Such obligations are generally exempt from all State and local taxes, except State estate, inheritance, gift, or other excise taxes. A Government corporation, including its franchise, its capital, reserves, and surplus and its income are exempt from all taxation imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority; except that any real property shall be subject to State, Territorial, county, municipal, or local taxation to the same extent according to value as other real property is taxed.

Provision, as stated above, is made by statute for all corporations listed under Agriculture except that none is made for Federal Surplus Commodities Corporation, and Federal Crop Insurance Corporation is wholly exempted. Production credit corporations and banks for cooperatives taxables include tangible personal property and provide further that exemptions shall cease with retirement of stock held by the United States.

The same provision covers corporations listed under Secretary of Commerce and Foreign Economic Administration. Provision is similarly made for Smaller War Plants, the corporations listed under Federal Home Loan Bank Administration, and Federal Deposit Insurance Corporation.

The Tennessee Valley Authority pays a percentage of its gross proceeds of power sales to States and counties in which its power operations are carried on (16 U. S. C. 831e).

Federal Public Housing Authority and Defense Homes Corporation and the Virgin Islands Company, pay in lieu of taxes under arrangements negotiated with State and local taxing authorities.

Federal Prison Industries, Inc., the corporations under the Coordinator of Inter-Ameri-

can Affairs, Panama Railroad Company, and Tennessee Valley Associated Cooperatives seem to be without provision.

## SECTION VII. ORGANIZATION AND MANAGEMENT

In section III Government corporations by principal features are treated: Creation, control, borrowing power, sources of funds, functions, and expiration.

In creation and control of the several corporations, one would be struck by the diversity of provisions. This diversity appears more particularly in the number of directors, their appointment, and term. It is also quite noticeable in current control by Congress, Treasury, Bureau of the Budget, and General Accounting Office. In the list of corporations with supervising agencies, the corporations are listed under their supervising agencies. Except in those instances where the functions of the supervisory agency are closely tied into the supervised corporation, the supervision may often be perfunctory.

Such corporations as are incorporated under District of Columbia or State laws are listed with the name of the State following the corporate name and are as follows:

Commodity Credit Corporation (Delaware).  
Federal Surplus Commodities Corporation (Delaware).

The RFC Mortgage Company (Maryland).  
Warrior River Terminal Company (Alabama).

The Virgin Islands Company (Virgin Islands).

United States Spruce Production Corporation (Washington).

Cargoes, Inc. (New York).

Export-Import Bank of Washington (District of Columbia).

Rubber Development Corporation (Delaware).

Institute of Inter-American Affairs (Delaware).

Institute of Inter-American Transportation (Delaware).

Inter-American Educational Foundation (Delaware).

Inter-American Navigation Corporation (Delaware).

Prencinradio, Inc. (Delaware).

Defense Homes Corporation (Maryland).

United States Housing Corporation (New York).

Panama Railroad Company (New York).

Tennessee Valley Associated Cooperatives, Inc. (Tennessee).

Why a Government organization should be chartered under State laws is hard to understand. The first and most important objection, although without practical significance, is that the Federal Government subordinates itself to a State. An organization establishing itself under a State law assumes all the obligations as well as enjoying all the privileges conferred by a State certificate of incorporation. It acknowledges its liability for corporation taxes and similar levies. It is under obligation to domesticate in other States in which it does business. The Government corporation also may expose itself to assessment for taxes, despite Federal exemptions. Frequently, powers granted under a State charter may exceed the powers intended by Congress to be enjoyed by a corporation so chartered.

Borrowing power is enumerated in the listing by features. In some cases where borrowing power is only expressed as common to charter provisions, it is meant that it has no particular power, and while in its generality it may be liberal, there are no needs or means to exercise it. In table 5, the borrowing power of those corporations, whose obligations are guaranteed by the United States, is listed with limits and principal outstanding.

Functions and sources of funds are fully covered in section III of this report, as is also expiration. Where stated, "When dissolved" after expiration means perpetual or no expression in the charter.

*Public control inadequate*

There is no effective over-all control. Alone or in certain groups, these corporations are autonomous. These groups are considered in the order of appearance on the list of corporations with supervising agency:

The farm-credit group under the Farm Credit Administration is made up with the cooperatives, intermediate credit, land banks, and production credit—the United States is divided into 12 farm-credit districts. In one city in each district is one each of the four banks. Each district has a farm-credit board, the members of which are ex officio directors of the four banks. Each bank and corporation has its own officers. Each district farm-credit board has seven members with a 3-year term, three elected by the member associations and four appointed by the Governor of the Farm Credit Administration, one of the four subject to nomination by the member associations (borrowers). The activities of the four institutions in a district are coordinated by an executive called the general agent. The central bank for cooperatives operates directly under Farm Credit Administration as does also the regional agricultural credit corporation. All are examined by Farm Credit Administration.

The Reconstruction Finance group is composed of the subsidiaries and affiliates listed under Reconstruction Finance Corporation and also those listed under Foreign Economic Administration. Disaster Loan may be added. Reconstruction Finance audits these institutions internally and has a general financial oversight.

The Coordinator of Inter-American Affairs operates and controls the five listed under this head.

Federal Public Housing Authority and Defense Homes Corporation work together.

The four institutions listed under Federal Home Loan Bank Administration are directed by the Federal Home Loan Bank Commissioner. An examination service is also provided.

Congress should have cognizance of corporations and this may be accomplished by submitting a work program of the ensuing year, with estimates of the year in progress, and of the completed fiscal year, all in the form of a business budget. Congress would then authorize the program with such changes as it would think necessary or desirable, similarly as making an appropriation. Some changes or shifts may be allowed in the program without further congressional action. In short, corporation activities may be brought before Congress annually and authorized in the same manner as appropriations are made for regular Government agencies.

Such work programs would be submitted to the Bureau of the Budget for transmission to Congress in the same manner as are estimates of appropriations. The programs would be published in the Budget, and possibly could be tied in by amounts required out of the Treasury, or to amounts available for return to the Treasury. How this could be controlled by Treasury in its accounts is left as a matter to be worked out.

But most important is that all corporations be brought under review by the General Accounting Office through audit or audit and settlement. Reports of such audits should be made directly to Congress and should be referred to the Committee on Expenditures in the Executive Branch of each House (or preferably to such committees sitting as a joint committee), which committee would report its findings to Congress promptly.

Even though some other means may be devised, the General Accounting Office, the agency of Congress to enforce the legislative will, should be brought into this picture. It is important that the functions of a comp-

troller be included with those of an auditor in this respect.

There has been a growing independence on the part of corporations to resist attempts of the General Accounting Office to audit their accounts; on the other hand, this Office has neglected to press its rights in this matter.

Executive Order 6549, issued January 3, 1934, provided:

"By virtue of the authority vested in me as President of the United States, it is hereby ordered and directed that accounts of all receipts and expenditures by governmental agencies, including corporations created after March 3, 1933, the accounting procedure for which is not otherwise prescribed by law, shall be rendered to the General Accounting Office in such manner, to such extent, and at such times as the Comptroller General of the United States may prescribe, for settlement pursuant to title III of the act of June 10, 1921 (42 Stat. 23)."

This order was unfortunate in its wording in that it provided for a rendering of accounts, similar to the regular agencies of Government. As a matter of fact, corporations require some treatment different from that accorded such agencies. Many corporations are by law exempt from the adjustment and settlement of accounts by the Comptroller General.

Already too much disparity has grown up in the control of corporations and the aim should be to unify it as much and as nearly as possible.

But something should be done without delay. No major owner of corporate stock would be satisfied to permit his corporation to be run in the manner now nearly common to Government corporations.

While on this subject, it may be remarked that many corporations engage outside public accountants to audit their accounts. The Government, with an accounting set-up that should be the equal of any accounting firm in the country, should be free of this necessity.

#### SECTION VIII. CREDIT AGENCIES AND ENTERPRISES EXCLUDED

A number of credit agencies and enterprises report, under Budget-Treasury Regulation No. 2, to the Treasury in the same manner as do corporations. This report does not concern itself with these; it covers only corporations.

For ready reference these agencies are listed as follows:

Farm Credit Administration:  
Agricultural Marketing Act revolving fund.  
Emergency Crop and Feed Loans.  
Farm Security Administration.  
Federal Housing Administration.  
Federal Security Agency: Office of Education, loans to students.  
Federal Works Agency: Office of Administrator, community facility loans.  
Interior Department:  
Puerto Rican hurricane relief loans.  
Office of Indian Affairs loans.  
Navy Department: Sale of surplus supplies.  
Public Works Administration.  
Puerto Rico Reconstruction Administration.  
Rural Electrification Administration.  
Treasury: Miscellaneous loans.  
United States Maritime Commission.  
War Shipping Administration.

#### SECTION IX. INFORMATIONAL TABLES

Tables 1 and 2 are discussed in section IV, Financial Condition.

Table 3 is a schedule of capital stock owned by the United States, to whom issued and for whom held, as of June 30, 1943.

Table 4 shows the proprietary interest in Government corporations with mixed ownership—that of the Government and of private owners, as of June 30, 1943.

Table 5 is a statement of borrowing power and obligations outstanding of corporations and credit agencies authorized to issue obli-

gations guaranteed by the United States as of March 31, 1944. Included are the Federal Housing Administration and United States Maritime Commission not otherwise covered in this report.

Table 6 is a schedule of loans outstanding of the corporations as of March 31, 1944. No intercorporate loans are included.

Table 7 is a statement of combined assets and liabilities and net worth, the number of corporations and credit agencies, and amount of loans outstanding—by fiscal years 1933, 1938, and 1943. This compilation includes credit agencies for the reason they could not be readily separated from corporations in the earlier years.

Table 8 gives the number of employees by corporations as of April 30, 1944.

Table 9 is a list of principal and field offices of the several corporations.

#### SECTION X. CONCLUSIONS

The conclusions to be drawn from this presentation are—

1. A great diversity in creation and organization of Government corporations is noted.

2. The lack, generally, of over-all control, current control by Congress, the Budget, Treasury, and General Accounting Office should have immediate attention.

3. To a large extent some corporations carry on extra corporate functions, such as payment of subsidies, price supports, buying and selling at a loss.

4. Government corporations were principally created to meet a crisis or emergency.

5. The corporate form has been too freely resorted to. Corporations were formed in many cases in which an ordinary agency would have sufficed.

6. Using State charters to implement corporations is anomalous, and may be objectionable and dangerous.

7. Government corporations have not been successful on a profit-and-loss basis, but such corporations are not usually established to make money. Panama Railroad Company (operating a monopoly in the Canal Zone) is an exception.

8. Farm-credit institutions are to some extent overcapitalized, and a return to the Treasury should be considered.

9. The number of corporations and their complicated interrelations defeat a clear understanding of the purposes and objectives of each.

#### SECTION XI. RECOMMENDATIONS

It is recommended—

1. That over-all public control be established promptly with reference to current control by the Congress, the Budget, Treasury, and General Accounting Office.

(a) To take form of a business-type budget—a work program for the ensuing year, with comparisons for the year in progress, and for the last completed year—presented to the Bureau of the Budget;

(b) After review and modification to be included in the Budget for submission to Congress;

(c) To be acted upon by Congress in a similar manner as to appropriations;

(d) With provision for control accounts in the Treasury, and audit by the General Accounting Office.

2. That the Comptroller General of the United States be made the auditor and comptroller, ex officio, of each and every Government corporation.

It would be necessary in carrying out this procedure to make provision for some discretion in executing the programs as authorized;

And to arrange for the procedure as to audit and settlement by the General Accounting Office, and for the manner of Treasury control.

The Secretary of the Treasury and the Director of the Budget are not in complete agreement with recommendation No. 2 of the report.



TABLE 1.—Statement of assets, liabilities, and net worth of Government corporations, as of June 30, 1943

PART I—ASSETS  
(Cents omitted)

Corporation	Cash	Investments			Loans receivable (net of reserves)	Accounts and other receivables (net of reserves)	Accrued assets (net of reserves)	Commodities, supplies, and material	Land, structures, and equipment (net of reserves)	Acquired security or collateral (net of reserves)	Deferred charges	Undistributed debits and other assets	Intercompany proprietary interest	Total assets
		United States securities	Securities guaranteed by the United States	Other (net of reserves)										
Department of Agriculture:														
Banks for cooperatives	\$44,134,762	\$33,596,688	\$201,000		\$125,132,855	\$60,169	\$821,694		\$59,385	\$39,123	\$1,752			\$204,047,456
Commodity Credit Corporation	1,562,506,343				221,986,083	314,780,250	13,013,237	\$951,918,359	27,325,867	488,339,449	1,625,985			3,581,495,573
Federal Crop Insurance Corporation	7,130,254					1,832,228		6,270,678	124,215			\$3,273,922		18,670,297
Federal Farm Mortgage Corporation	6,076,140		115,000,000	\$502,824,800	399,141,774	2,752,189	15,128,164			7,180,706	54,820	31,946		1,048,207,539
Federal intermediate credit banks	70,118,986	36,000,000		24,604,416	324,604,416	59,964	2,010,287				87,458			382,881,111
Federal land banks	41,270,440	226,353,824	101,648,000	2,940,249	1,544,657,216	6,701,580	29,274,202		5,307,377	17,967,505	9,632,603	69,313		1,985,822,319
Federal Surplus Commodities Corporation	3,425,199					25,595		708,187	22,889					4,181,870
Production credit corporations	778,461	36,057,700		69,990,530		51,346	174,229		45,600		2,840			127,100,706
Regional agricultural credit corporations	11,264,286				53,630,410	94,435	467,877			8,824		15		65,460,847
Department of Commerce:														
Disaster Loan Corporation	15,696,757				2,272,888	819,392	20,140		8,922	31,413				18,844,512
Export-Import Bank of Washington	68,253,853				128,370,299	48,642	4,835,512		22,052	2	86,400			201,616,760
Inland Waterways Corporation <sup>1</sup>	1,112,898	5,771,762			372,188	640,980	17,922	309,702	16,184,858		33,221			24,443,531
Reconstruction Finance Corporation <sup>2</sup>	4,285,334	64,031,900		364,337,103	1,388,221,334	5,203,675,393	119,706,512		976,912	21,370,550	276,871	2,806,603	\$360,741,000	7,530,429,512
Defense Plant Corporation	1,049,391				442,601,429				4,026,562,150		4,522,117	143,175,938		4,617,911,025
Defense Supplies Corporation	12,538,887				84,289,963	200,981,605	1,442,711	333,347,526	5,519,950		5,942,045	606,566		644,569,253
Federal National Mortgage Association	8,709,519		756,250		72,165,682	118,136	337,829		29,697	143,945	1,885			82,262,943
Metals Reserve Company	1,568,705			1,099,362		65,156,060		421,000,528	5,900,537		2,000	4,762,640		499,489,852
Petroleum Reserves Corporation <sup>3</sup>														
REC Mortgage Company, The	1,847,667		448,500		97,119,123	110,166	557,427		9,806,204	306,550	422,083			110,617,720
Rubber Development Corporation	15,615,782			1,000,000		1,466,280		19,698,846	54,021			535,090		38,370,019
Rubber Reserve Company	1,473,100					41,492,103		130,609,926	524,730		32,891,213	2,751,116		209,742,248
United States Commercial Company	20,444,323					6,234,001		54,317,466	19,774			417,417		81,432,981
War Damage Corporation	128,382,840					147,657	580,159		3,947					129,114,603
Department of the Interior: Virgin Islands Company, The	130,039					239,822		634,707	227,308		4,722			1,236,688
Department of Justice: Federal Prison Industries, Inc.	6,215,841					2,533,617		4,058,164	4,174,770			60,700		17,043,092
War Department: United States Spruce Production Corporation	60,674	113,677				246,485	1,006		2,230					424,072
Executive Office of the President: Carsons, Incorporated	345,614							1,011,152	1,133		213			1,358,112
Institute of Inter-American Affairs	26,599,897					12,145			169,789					26,781,831
Institute of Inter-American Transportation <sup>3</sup>														
Inter-American Navigation Corporation	291,376					295,170			88,712		498			673,765
Smaller War Plants Corporation	136,129,876				5,456,842	539,992	29,726		1,270,197			755,246		144,181,879
National Housing Agency:														
Defense Homes Corporation	877,913				870,833	32,170	17,663	53,360	53,519,755		122,322			55,494,016
Federal home loan banks	14,788,921	154,160,436	770,000		90,191,577	8,197	695,778		12		13,426			260,628,347
Federal Public Housing Authority	57,135,975	7,158,280		210	320,448,156	4,368,364	523,090	9,727	1,141,068,199		165,830			1,533,907,831
Federal Savings and Loan Insurance Corporation	971,924	136,083,108	1,200,000			1,051,609	110,861		1	3,827,167	4,485			143,249,155
Home Owners' Loan Corporation	47,344,234	9,984,000		108,403,410	1,398,955,492	397,141	3,646,217		2,615,953	182,026,364	51,710	109,389	100,000,000	1,853,553,910
United States Housing Corporation	534,667					129,470	87,501		1	899,130	32,068			1,682,837
Independent establishments:														
Federal Deposit Insurance Corporation	28,105,188	575,297,270			23,812,878	590,324	1,817,542	73,930	1	30,895,496	348			660,598,977
Panama Railroad Company	11,653,921	8,860,629		11,385		4,137,547	27,348	11,741,220	36,569,558		164,129	1		73,165,738
Tennessee Valley Associated Cooperatives, Inc.	13,465			33,825	249,388						2,102			298,780
Tennessee Valley Authority	1,831,708				3,422,966	5,394,050	8,496	5,717,744	634,181,260					650,556,224
Total assets	2,310,715,190	1,293,469,284	220,023,750	1,070,650,874	6,285,372,363	6,309,768,792	198,353,130	1,941,490,282	5,972,410,966	753,031,224	56,145,146	159,355,902	460,741,000	27,031,527,903
Less: Intercompany assets	544,262,671		218,819,000	525,204,300		4,764,129,620	79,898,863						460,741,000	6,593,055,454
Net total assets	1,766,452,519	1,293,469,284	1,204,750	545,446,574	6,285,372,363	1,545,639,172	118,454,267	1,941,490,282	5,972,410,966	753,031,224	56,145,146	159,355,902		20,438,472,449

<sup>1</sup> Includes activities of Warrior River Terminal Company, Inc.<sup>2</sup> Includes amounts of Electric Home and Farm Authority which were transferred for purposes of liquidation pursuant to Executive Order 9256, effective Oct. 31, 1942.<sup>3</sup> No activity prior to June 30, 1943.

TABLE 1.—Statement of assets, liabilities, and net worth of Government corporations, as of June 30, 1943—Continued

## PART II—LIABILITIES

[Cents omitted]

Corporation	Liabilities								Excess of assets over liabilities	
	Accounts payable	Accrued liabilities	Trust and deposit liabilities	Bonds, debentures, and notes payable			Deferred credits	Undistributed credits and other liabilities		Total liabilities
				Held by Treasury	Guaranteed by United States	Not guaranteed				
Department of Agriculture:										
Banks for cooperatives	\$6,777		\$281,153					\$274,874	\$562,804	\$203,484,664
Commodity Credit Corporation	814,670,279	\$21,868,675		\$1,950,000,000	\$528,940,513	\$178,426,100		63,373,252	3,557,578,819	23,916,754
Federal Crop Insurance Corporation	473,430							6,053,800	6,527,230	12,143,067
Federal Farm Mortgage Corporation	552,114	5,404,288	6,612,932		931,723,000		\$874,743	999,601	946,467,278	101,740,261
Federal intermediate credit banks	171,756	125,520	456,046			292,285,000	67,380	116,841	294,022,543	88,858,586
Federal land banks	4,792,995	16,069,176	3,429,312			1,441,734,375	64,567	32,283,371	1,498,373,796	487,448,523
Federal Surplus Commodities Corporation										
Production credit corporations	262,291		\$13,986			767,651			1,843,928	2,337,942
Regional agricultural credit corporations	11,941		10,447						22,388	127,078,318
	1,069,876		2,062			1,855,809		742,583	3,670,330	61,790,517
Department of Commerce:										
Disaster Loan Corporation	29,132		20,618						49,750	18,794,762
Export-Import Bank of Washington	27,083		1,645,467				135,877		1,808,427	199,808,333
Inland Waterways Corporation <sup>1</sup>	638,531	16,023	7,646					270,668	1,232,868	23,210,663
Reconstruction Finance Corporation <sup>2</sup>	35,828,076	31,622,656	682,503,738	5,033,372,124	1,011,041,000		12,955,358		6,807,322,652	723,106,550
Defense Plant Corporation	1,859,652	32,162,950	1,226,381,815			3,364,178,682	13,748,871	6,269,313	4,645,401,283	27,490,258
Defense Supplies Corporation	39,658,196	12,630,732	87,859,377			567,669,557	101,144	45,280,703	753,499,709	108,930,456
Federal National Mortgage Association										
Metals Reserve Company	193,743	535,127	2,697,763			55,548,000	41,347	277,460	59,293,740	22,969,203
Petroleum Reserves Corporation <sup>3</sup>	91,235,560	13,298,218	2,901,438			413,101,578		20,108,618	740,653,712	41,163,860
RFC Mortgage Company, The										
Rubber Development Corporation	108,280	1,093,522	2,263,607			80,092,878	685,407		84,243,694	26,374,026
Rubber Reserve Company	40,288,597							63,202	40,351,799	1,981,780
United States Commercial Company	5,905,341	9,808,553				186,989,227		6,027,373	208,730,494	1,011,754
War Damage Corporation	4,389,636	556,783				67,333,014		1,930,890	74,610,323	6,822,658
Department of the Interior: Virgin Islands Company, The	35,370						118,769,295	9,500,011	128,304,676	809,927
Department of Justice: Federal Prison Industries, Inc.	173,943	37,357	1,523			449,813	1,640		664,76	572,382
War Department: U. S. Spruce Production Corporation	314,617							236,437	551,054	16,492,038
Executive Office of the President:								125,000	125,000	299,072
Cargoes, Inc.			98						98	1,358,014
Institute of Inter-American Affairs	4,211,258								4,211,258	22,570,573
Institute of Inter-American Transportation <sup>4</sup>										
Inter American Navigation Corporation	18,972	2,498				192,951		66,030	280,451	393,314
Smaller War Plants Corporation	615,571		998					78,151	694,720	143,487,159
National Housing Agency:										
Defense Homes Corporation	75,178	402,134	3,337			44,159,963	76,864	153,376	44,870,852	10,623,164
Federal home loan banks	660,707	77,118	29,270,276			35,015,000			65,023,101	195,605,246
Federal Public Housing Authority	496,654	505,107	12,189,973	283,000,000	114,157,000		26,542		410,775,276	1,123,132,555
Federal Savings and Loan Insurance Corporation	4,678		3,808				1,833,705	41,406,164	43,249,155	100,000,000
Home Owners' Loan Corporation	320,327	6,726,303	26,685,110	196,000,000	1,539,344,575	165,125	805,804	1,067,854	1,771,115,098	82,418,812
U. S. Housing Corporation	22,553						176,217	118,769	317,539	1,365,298
Independent establishments:										
Federal Deposit Insurance Corporation	359,839		985,899				98,403	369,555,279	371,299,420	289,299,557
Panama Railroad Company	7,270,070	3,447,571	1,958				920,304	332,423	11,972,326	61,193,412
Tennessee Valley Associated Cooperatives, Inc.										
Tennessee Valley Authority	12,308,311	6,369,870	1,239,804	56,772,500		8,300,000	48,631		85,039,116	298,780
Total liabilities	1,069,961,634	165,160,981	2,088,269,691	7,519,144,624	4,125,206,688	6,738,572,723	151,432,099	607,012,843	22,464,761,283	4,568,766,620
Less: Intercorporate liabilities	38,807,068	79,898,863	544,791,722		218,819,000	5,249,597,801			6,132,314,454	400,741,000
Net total liabilities	1,031,154,566	85,262,118	1,543,477,969	7,519,144,624	3,906,387,688	1,488,974,922	151,432,099	607,012,843	16,332,446,829	4,168,025,620

<sup>1</sup> Includes activities of Warrior River Terminal Company, Inc.<sup>2</sup> Includes amounts of Electric Home and Farm Authority which were transferred for purposes of liquidation pursuant to Executive Order 9256, effective Oct. 31, 1942.<sup>3</sup> No activity prior to June 30, 1943.<sup>4</sup> Indicates deficit.<sup>5</sup> Upon liquidation, residue of cash after payment of debts and expenses shall be expended to promote the welfare of the people of the Virgin Islands.

## PART III—NET WORTH

[Cents omitted]

Corporation	Privately owned			United States owned								Total net worth
	Capital stock	Surplus	Total	Capital				Earned surplus			Total	
				Stock	Nonstock	Paid-in surplus	Total	Reserved	Unreserved	Total		
Department of Agriculture:												
Banks for cooperatives	\$4,529,500	\$740,481	\$5,270,081	\$172,000,000	-----		\$172,000,000	\$1,448,429	\$24,365,544	\$25,813,973	\$197,813,973	\$203,484,654
Commodity Credit Corporation	-----	-----	-----	100,000,000	-----	\$143,950,524	243,950,524	-----	\$220,033,770	\$220,033,770	23,916,754	23,916,754
Federal Crop Insurance Corporation	-----	-----	-----	35,000,000	-----	29,069,863	64,069,863	-----	\$51,926,796	\$51,926,796	12,143,067	12,143,067
Federal Farm Mortgage Corporation	-----	-----	-----	100,000,000	-----		100,000,000	53,165	1,647,096	1,740,261	101,740,261	101,740,261
Federal intermediate credit banks	-----	-----	-----	60,000,000	-----		60,000,000	8,046,000	20,812,568	28,858,568	88,858,568	88,858,568
Federal land banks	94,777,883	120,573,886	224,351,769	121,478,885	-----	141,617,869	263,096,754				263,096,754	487,448,523
Federal Surplus Commodities Corporation	-----	-----	-----		\$2,337,942		2,337,942				2,337,942	2,337,942

<sup>4</sup> Indicates deficit.



TABLE 1.—Statement of assets, liabilities, and net worth of Government corporations, as of June 30, 1943—Continued

## PART III—NET WORTH—continued

[Cents omitted]

Corporation	Privately owned			United States owned								Total net worth
	Capital stock	Surplus	Total	Capital				Earned surplus			Total	
				Stock	Nonstock	Paid-in surplus	Total	Reserved	Unreserved	Total		
Department of Agriculture—Continued.												
Production credit corporations.				\$120,000,000			\$120,000,000		\$7,078,318	\$7,078,318	\$127,078,318	\$127,078,318
Regional agricultural credit corporations.				44,500,000		\$18,028,756	62,528,756		738,239	738,239	61,790,517	61,790,517
Department of Commerce:												
Disaster Loan Corporation.				24,000,000			24,000,000		5,205,238	5,205,238	18,794,762	18,794,762
Export-Import Bank of Washington.				175,000,000			175,000,000	\$11,019,113	13,789,220	24,808,333	199,808,333	199,808,333
Inland Waterways Corporation <sup>1</sup> .				12,000,000		10,460,756	22,460,756		749,907	749,907	23,210,663	23,210,663
Reconstruction Finance Corporation <sup>2</sup> .				325,000,000			325,000,000	325,000	397,781,560	398,106,560	723,106,560	723,106,560
Defense Plant Corporation.				5,000,000			5,000,000		32,490,258	32,490,258	27,490,258	27,490,258
Defense Supplies Corporation.				5,000,000		28,445,909	33,445,909		142,376,365	142,376,365	108,930,456	108,930,456
Federal National Mortgage Association.				10,000,000		1,000,000	11,000,000	1,866,786	10,602,417	11,969,203	22,969,203	22,969,203
Metals Reserve Company.				5,000,000			5,000,000	1,292,264	47,456,124	48,748,388	41,163,860	41,163,860
Petroleum Reserves Corporation <sup>3</sup> .												
RFC Mortgage Company, The.				25,000,000			25,000,000		1,374,026	1,374,026	26,374,026	26,374,026
Rubber Development Corporation.				100,000			100,000		2,081,780	2,081,780	1,981,780	1,981,780
Rubber Reserve Company.				5,000,000			5,000,000	2,361,113	6,349,259	8,710,372	1,011,754	1,011,754
United States Commercial Company.				5,000,000			5,000,000		1,822,658	1,822,658	6,822,658	6,822,658
War Damage Corporation.				1,000,000			1,000,000		190,073	190,073	809,927	809,927
Department of the Interior: Virgin Islands Company, The.				20		885,836	885,856	6,300	319,784	313,484	572,382	572,382
Department of Justice: Federal Prison Industries, Inc.					\$4,577,519		4,577,519	7,736	11,906,783	11,914,519	16,492,038	16,492,038
War Department: U. S. Spruce Production Corporation.				100,000			100,000	75,000	124,072	199,072	299,072	299,072
Executive Office of the President:												
Cargoes, Incorporated.				101,000		1,615,000	1,716,000		357,986	357,986	1,358,014	1,358,014
Institute of Inter-American Affairs.					36,620,000		36,620,000		14,049,427	14,049,427	22,570,573	22,570,573
Institute of Inter-American Transportation <sup>4</sup> .												
Inter-American Navigation Corporation.				500,000			500,000		106,686	106,686	393,314	393,314
Smaller War Plants Corporation.				150,000,000			150,000,000		6,512,841	6,512,841	143,487,159	143,487,159
National Housing Agency: Defense Homes Corporation.				10,000,000			10,000,000		623,164	623,164	10,623,164	10,623,164
Federal home loan banks.	\$54,720,850	\$16,143,396	\$70,864,246	124,741,000			124,741,000				124,741,000	195,605,246
Federal Public Housing Authority.				1,000,000		1,139,914,692	1,140,914,692	3,472,975	21,255,112	17,782,137	1,123,132,555	1,123,132,555
Federal Savings and Loan Insurance Corporation.				100,000,000			100,000,000	( <sup>5</sup> )	( <sup>5</sup> )		100,000,000	100,000,000
Home Owners' Loan Corporation.				200,000,000			200,000,000		117,581,188	117,581,188	82,418,812	82,418,812
U. S. Housing Corporation.				25,344,680		8,535,254	33,879,934		32,514,636	32,514,636	1,365,298	1,365,298
Independent establishments:												
Federal Deposit Insurance Corporation.	139,299,557		139,299,557	150,000,000			150,000,000	( <sup>5</sup> )	( <sup>5</sup> )		150,000,000	289,299,557
Panama Railroad Company.				7,000,000		3,247,332	10,247,332	3,569,733	47,376,347	50,946,080	61,193,412	61,193,412
Tennessee Valley Associated Cooperatives, Inc.				1,000		299,000	300,000		1,220	1,220	298,780	298,780
Tennessee Valley Authority.					588,543,014		588,543,014		23,025,906	23,025,906	565,517,108	565,517,108
Total net worth.	293,728,090	146,458,163	440,186,253	2,118,866,595	632,078,475	1,527,070,791	4,278,015,861	33,083,614	184,519,108	151,435,494	4,126,580,367	4,566,766,620
Less: Incorporate proprietary interest.				459,741,000		1,000,000	460,741,000				460,741,000	460,741,000
Net total net worth.	293,728,090	146,458,163	440,186,253	1,659,125,595	632,078,475	1,526,070,791	3,817,274,861	33,083,614	184,519,108	151,435,494	3,665,839,367	4,106,025,620

<sup>1</sup> Includes activities of Warrior River Terminal Company, Inc.<sup>2</sup> Includes amounts of Electric Home and Farm Authority which were transferred for purposes of liquidation pursuant to Executive Order 9256, effective Oct. 31, 1942.<sup>3</sup> No activity prior to June 30, 1943.<sup>4</sup> Indicates deficit.<sup>5</sup> Upon liquidation, residue of cash after payment of debts and expenses, shall be expended to promote the welfare of the people of the Virgin Islands.<sup>6</sup> For purpose of this report the entire amount of earned surplus of this corporation is reported as a liability reserve (other liabilities) to cover possible insurance losses until experience shall have been gained which will permit the determination of adequate reserves.

Source.—Compiled from reports of corporations submitted under Regulation No. 2, adjusted for items in transit and other adjustments.

TABLE 2.—Summary of income and expense of Government corporations for fiscal year ended June 30, 1943

Corporations	Total operating income	Total operating expense	Net operating income or loss	Nonoperating income or loss	Net income or loss before adjustment of valuation reserves	Adjustment of valuation reserves, increase or decrease <sup>1</sup>	Net income or loss
<b>Department of Agriculture:</b>							
Banks for cooperatives.....	\$3,495,363.06	\$1,101,488.62	\$2,393,874.44	\$12,531.96	\$2,406,406.40	\$316,150.09	\$2,722,556.49
Commodity Credit Corporation.....	40,688,689.81	145,185,456.12	104,496,766.31		104,496,766.31		104,496,766.31
Federal Crop Insurance Corporation.....	3,448,716.93	32,218,602.62	28,769,885.69		28,769,885.69		28,769,885.69
Federal Farm Mortgage Corporation.....	51,422,229.42	37,977,744.97	13,444,484.45	4,567,616.54	18,012,100.99	16,365,005.04	1,647,095.95
Federal intermediate credit banks.....	5,363,811.88	4,246,114.44	1,117,697.44	555,972.66	1,673,670.10	563,037.93	2,236,708.03
Federal land banks.....	89,818,135.96	66,794,842.96	23,023,293.00	10,124,690.14	12,898,602.86	15,738,569.31	7,160,033.55
Federal Surplus Commodities Corporation.....							
Production credit corporations.....	1,554,252.87	1,649,589.36	95,336.49	915,048.09	819,711.60	20,500.00	840,211.60
Regional agricultural credit corporations.....	695,280.31	1,673,627.12	978,346.81	106,960.05	1,085,306.86	304,741.30	1,780,565.56
<b>Department of Commerce:</b>							
Disaster Loan Corporation.....	175,141.24	307,882.63	132,741.39	136,475.22	1,269,216.61	12,275,057.85	12,544,274.46
Export-Import Bank of Washington.....	7,864,713.05	223,468.49	7,641,244.56	16,164.50	7,657,409.06	47,849.87	7,682,929.93
Inland Waterways Corporation.....	7,770,221.18	8,273,164.56	502,943.38	229,529.34	273,414.04		273,414.04
Reconstruction Finance Corporation.....	151,830,602.21	64,909,553.79	86,921,048.42	1,696,431.11	88,617,479.53	16,491,366.13	78,733,301.18
Defense Plant Corporation.....	5,208,381.95	30,595,994.56	25,387,612.61	15,797.73	25,403,410.34		25,403,410.34
Defense Supplies Corporation.....	531,406,085.71	546,979,688.64	15,573,602.93	124,583,417.88	140,157,020.81		140,157,020.81
Federal National Mortgage Association.....	14,594,162.58	6,220,839.55	8,373,323.03	765.91	8,374,088.94		8,374,088.94
Metals Reserve Company.....	397,927,292.16	414,271,774.32	16,344,482.16	44,362,937.91	60,707,420.07		60,707,420.07
Petroleum Reserves Corporation <sup>2</sup> .....							
RFC Mortgage Company, The.....	4,526,157.23	3,197,087.91	1,329,069.32	1,539.17	1,330,608.49	129,759.70	1,035,848.79
Rubber Development Corporation.....	21,816,724.65	23,808,031.22	1,991,306.57	9,527.19	1,981,779.38		1,981,779.38
Rubber Reserve Company.....	227,067,945.15	243,447,076.09	16,379,130.94	41,419.63	16,337,711.31		16,337,711.31
United States Commercial Company.....	16,346,304.01	15,920,227.46	426,076.55	1,566,935.55	1,993,012.10		1,993,012.10
War Damage Corporation.....				192,116.97	192,116.97		192,116.97
<b>Department of the Interior: Virgin Islands Company, The <sup>1</sup>.....</b>							
<b>Department of Justice: Federal Prison Industries, Inc. <sup>1</sup>.....</b>	18,789,180.73	15,496,689.58	3,292,491.15	29,144.57	3,263,346.58		3,263,346.58
<b>War Department: U. S. Spruce Production Corporation <sup>1</sup>.....</b>							
<b>Executive Office of the President:</b>							
Cargoes, Incorporated <sup>1</sup> .....				27,278.52	27,278.52		27,278.52
Institute of Inter-American Affairs.....	69,448.81	14,092,428.77	14,022,979.96		14,022,979.96		14,022,979.96
Institute of Inter-American Transportation <sup>1</sup> .....							
Inter-American Navigation Corporation.....	13,736.33	53,648.84	39,912.51	66,773.54	106,686.05		106,686.05
Smaller War Plants Corporation.....	62,576.30	32,069.76	30,506.54	62,738.57	132,232.03		132,232.03
<b>National Housing Agency:</b>							
Defense Homes Corporation.....	2,737,921.19	2,614,707.51	123,213.68	13,291.04	117,922.64		117,922.64
Federal home-loan banks.....	5,250,790.46	2,052,911.60	3,197,878.86	471,671.43	3,669,550.29		3,669,550.29
Federal Public Housing Authority.....	16,011,620.27	13,149,836.54	2,861,783.73	8,046,410.35	15,184,626.62		15,184,626.62
Federal Savings and Loan Insurance Corporation.....	7,594,152.34	332,089.34	7,262,063.00	2,061,497.83	9,323,560.83		9,323,560.83
Home Owners' Loan Corporation.....	92,038,199.55	60,762,889.49	31,275,310.06	823,503.34	32,098,813.40	140,226,654.08	8,127,840.68
U. S. Housing Corporation <sup>1</sup> .....							
<b>Independent establishments:</b>							
Federal Deposit Insurance Corporation.....	78,852,972.64	10,013,258.37	68,839,714.27	1,102,618.97	69,942,333.24		69,942,333.24
Panama Railroad Company.....	59,965,197.28	56,419,539.06	3,545,658.22	170,059.90	3,715,718.12	1,410,000.00	2,305,718.12
Tennessee Valley Associated Cooperatives, Inc. <sup>1</sup> .....	5,397.79	5.10	5,392.69		5,392.69		5,392.69
Tennessee Valley Authority.....	38,874,064.84	33,698,900.41	5,175,164.43		5,175,164.43		5,175,164.43
<b>Total.....</b>	<b>1,903,285,469.89</b>	<b>1,857,721,179.80</b>	<b>45,564,290.09</b>	<b>176,974,590.59</b>	<b>131,410,100.50</b>	<b>171,549,132.92</b>	<b>1,202,950,233.42</b>

<sup>1</sup> Represents loss.<sup>2</sup> Information inadequate for this report.

Source: Compiled from reports of the corporations submitted under Budget-Treasury Regulation No. 2.

## OPERATING INCOME OF GOVERNMENT CORPORATIONS, FOR FISCAL YEAR ENDED JUNE 30, 1943

Corporations	Interest on loans	Interest or dividends on investments	Guaranty and insurance premiums	Sales of commodities and services	Other	Total operating income
<b>Department of Agriculture:</b>						
Banks for cooperatives.....	\$2,304,797.70	\$1,177,124.38		\$13,440.98		\$3,495,363.06
Commodity Credit Corporation.....	9,506,135.18	959,288.69		30,140,004.11	\$83,261.83	40,688,689.81
Federal Crop Insurance Corporation.....			\$155,875.61	3,604,224.65	367.89	3,448,716.93
Federal Farm Mortgage Corporation.....	50,927,215.31			243,816.37	251,197.74	51,422,229.42
Federal intermediate credit banks.....	4,885,907.17	977,904.71				5,363,811.88
Federal land banks.....	85,169,110.78	4,413,254.74		235,770.44		89,818,135.96
Federal Surplus Commodities Corporation.....						
Production credit corporations.....	100,869.60	1,453,383.27				1,554,252.87
Regional agricultural credit corporations.....	636,055.26				59,225.05	695,280.31
<b>Department of Commerce:</b>						
Disaster Loan Corporation.....	175,141.24					175,141.24
Export-Import Bank of Washington.....	6,395,388.08	1,435,361.65			33,963.32	7,864,713.05
Inland Waterways Corporation.....		86,849.61		7,294,973.57		7,770,221.18
Reconstruction Finance Corporation.....	150,766,051.42	5,003,724.40			1,064,550.79	151,830,602.21
Defense Plant Corporation.....				528,327,847.47	204,657.55	5,208,381.95
Defense Supplies Corporation.....	2,951,771.66	31,160.27		10,199.80	126,467.18	531,406,085.71
Federal National Mortgage Association.....	14,552,802.51			397,927,292.16		14,594,162.58
Metals Reserve Company.....						397,927,292.16
Petroleum Reserves Corporation <sup>1</sup> .....						
RFC Mortgage Company, The.....	4,424,992.78	53,239.35		47,894.87	30.23	4,526,157.23
Rubber Development Corporation.....				21,816,724.65		21,816,724.65
Rubber Reserve Company.....			1,045,075.20	226,022,869.95		227,067,945.15
United States Commercial Company.....				16,342,604.77	3,699.24	16,346,304.01
War Damage Corporation.....						
<b>Department of the Interior: Virgin Islands Company, The <sup>1</sup>.....</b>						
<b>Department of Justice: Federal Prison Industries, Inc. <sup>1</sup>.....</b>				18,789,180.73		18,789,180.73
<b>War Department: U. S. Spruce Production Corporation <sup>1</sup>.....</b>						
<b>Executive Office of the President:</b>						
Cargoes, Incorporated <sup>1</sup> .....						
Institute of Inter-American Affairs.....				60,448.81		60,448.81
Institute of Inter-American Transportation <sup>1</sup> .....						
Inter-American Navigation Corporation.....	13,736.33					13,736.33
Smaller War Plants Corporation.....	50,623.40				11,952.90	62,576.30
<b>National Housing Agency:</b>						
Defense Homes Corporation.....	20,233.35				2,717,687.84	2,737,921.19
Federal home loan banks.....	3,012,975.04	2,237,815.42				5,250,790.46
Federal Public Housing Authority.....	9,800,934.31				6,210,685.96	16,011,620.27
Federal Savings and Loan Insurance Corporation.....		3,556,880.66	4,000,101.27	37,150.76	19.65	7,594,152.34
Home Owners' Loan Corporation.....	70,540,064.54	21,498,135.01				92,038,199.55
U. S. Housing Corporation <sup>1</sup> .....						
<b>Independent establishments:</b>						
Federal Deposit Insurance Corporation.....	2,125,955.44	15,391,084.41	61,107,905.76	223,058.55	4,608.48	78,852,972.64
Panama Railroad Company.....		117,911.66		59,847,285.62		59,965,197.28
Tennessee Valley Associated Cooperatives, Inc. <sup>1</sup> .....	5,397.79			37,616,253.77	1,131,252.20	5,397.79
Tennessee Valley Authority.....		126,558.87				38,874,064.84
<b>Total.....</b>	<b>417,852,421.96</b>	<b>58,519,677.10</b>	<b>65,997,206.62</b>	<b>1,348,610,042.03</b>	<b>12,306,122.18</b>	<b>1,903,285,469.89</b>

<sup>1</sup> Information inadequate for this report.<sup>2</sup> Represents debit adjustment, deduct.



TABLE 2.—Summary of income and expense of Government corporations for fiscal year ended June 30, 1943—Continued

## OPERATING EXPENSES OF GOVERNMENT CORPORATIONS, FOR FISCAL YEAR ENDED JUNE 30, 1943

Corporation	Interest on borrowed funds	Guaranty and insurance losses	Cost of sales	General overhead expense	Other	Total
<b>Department of Agriculture:</b>						
Banks for cooperatives.....				\$1,101,488.62		\$1,101,488.62
Commodity Credit Corporation.....	\$13,263,888.73		\$123,513,236.57	7,349,876.84	\$1,068,453.98	145,185,456.12
Federal Crop Insurance Corporation.....		\$26,574,883.58		6,582,480.77	* 938,761.73	32,218,602.62
Federal Farm Mortgage Corporation.....	29,065,642.20			8,912,102.77		37,977,744.97
Federal intermediate credit banks.....	2,577,050.83			1,669,063.61		4,246,114.44
Federal land banks.....	54,106,890.25			12,687,952.71		66,794,842.96
Federal Surplus Commodities Corporation <sup>1</sup> .....						
Production credit corporations.....				1,649,589.36		1,649,589.36
Regional agricultural credit corporations.....				1,673,627.12		1,673,627.12
<b>Department of Commerce:</b>						
Disaster Loan Corporation.....				307,882.63		307,882.63
Export-Import Bank of Washington.....				222,200.33	1,268.16	223,468.49
Inland Waterways Corporation.....			7,199,703.31	312,156.65	761,304.60	8,273,164.56
Reconstruction Finance Corporation.....	54,097,942.39			10,811,561.40		64,909,503.79
Defense Plant Corporation.....	26,558,433.04			3,146,419.65	891,141.87	30,595,994.56
Defense Supplies Corporation.....	11,005,478.32		532,711,151.58	3,262,802.22	256.52	546,979,688.64
Federal National Mortgage Association.....	3,762,456.22			2,454,285.99	4,097.34	6,220,839.55
Metals Reserve Company.....	9,668,213.83		398,960,738.91	1,503,054.52	4,139,767.06	414,271,774.32
Petroleum Reserves Corporation <sup>1</sup> .....						
RFC Mortgage Company, The.....	1,999,181.24		300,340.75	843,369.72	54,190.20	3,197,087.91
Rubber Development Corporation.....			21,659,975.08	2,148,056.14		23,808,031.22
Rubber Reserve Company.....	5,237,436.11	3,957,564.54	229,626,435.66	3,671,154.67	954,485.11	243,447,076.09
United States Commercial Company.....	956,783.25		14,193,908.67	756,060.58	13,474.96	15,920,227.46
War Damage Corporation <sup>1</sup> .....						
<b>Department of the Interior: Virgin Islands Company, The<sup>1</sup>.....</b>						
<b>Department of Justice: Federal Prison Industries, Inc.....</b>			14,928,388.28	342,435.71	225,865.59	15,496,689.58
<b>War Department: United States Spruce Production Corporation<sup>1</sup>.....</b>						
<b>Executive Office of the President:</b>						
Cargoes, Incorporated <sup>1</sup> .....						
Institute of Inter-American Affairs.....					14,092,428.77	14,092,428.77
Institute of Inter-American Transportation <sup>1</sup> .....						
Inter-American Navigation Corporation.....				53,648.84		53,648.84
Smaller War Plants Corporation.....				32,069.76		32,069.76
<b>National Housing Agency:</b>						
Defense Home Corporation.....	177,433.91			115,328.99		2,614,707.51
Federal home loan banks.....	877,173.46			1,175,738.14	2,321,944.61	2,082,911.60
Federal Public Housing Authority.....	4,378,254.09			4,005,891.52	4,765,090.93	13,149,836.54
Federal Savings and Loan Insurance Corporation.....				332,089.34		332,089.34
Home Owners' Loan Corporation.....	38,375,777.97			10,776,082.32	11,611,029.20	60,762,889.49
U. S. Housing Corporation <sup>1</sup> .....						
<b>Independent establishments:</b>		5,815,839.99				
Federal Deposit Insurance Corporation.....				4,197,418.38		10,013,258.87
Panama Railroad Company.....			54,413,607.17	1,056,316.66	949,615.23	56,419,539.06
Tennessee Valley Associated Cooperatives, Inc.....				5.10		5.10
Tennessee Valley Authority.....	778,290.62		14,435,465.23	9,986,669.66	8,498,474.90	33,698,900.41
<b>Total.....</b>	<b>256,876,326.46</b>	<b>36,348,288.11</b>	<b>1,411,942,951.21</b>	<b>103,138,880.72</b>	<b>49,414,733.30</b>	<b>1,857,721,179.80</b>

<sup>1</sup> Information inadequate for this report.<sup>2</sup> Represents credit adjustment, deduct.

TABLE 3.—Capital stock of Government corporations as of June 30, 1943

	Par value	Percent of total	Certificate or receipt		
			Issued to	Custodian	For whom held
<b>HELD FOR THE SECRETARY OF THE TREASURY</b>					
Disaster Loan Corporation.....	\$24,000,000	100	Reconstruction Finance Corporation.	Treasurer of United States.....	Secretary of the Treasury.
Federal Crop Insurance Corporation.....	35,000,000	100	United States of America.....	do.....	Do.
Federal Deposit Insurance Corporation.....	150,000,000	52	Secretary of the Treasury.....	do.....	Do.
Federal Farm Mortgage Corporation.....	100,000,000	100	No formal certificate issued.....	do.....	Do.
Federal intermediate credit banks.....	60,000,000	100	United States of America.....	Treasurer of United States.....	Do.
Federal land banks.....	121,478,885	56	do.....	do.....	Do.
Federal Public Housing Authority.....	1,000,000	100	do.....	do.....	Do.
Home Owners' Loan Corporation.....	200,000,000	100	do.....	do.....	Do.
Inland Waterways Corporation.....	12,000,000	100	do.....	do.....	Do.
Reconstruction Finance Corporation.....	325,000,000	100	do.....	do.....	Do.
Regional agricultural credit corporations.....	44,500,000	100	Reconstruction Finance Corporation.	do.....	Do.
Smaller War Plants Corporation.....	150,000,000	100	United States of America.....	do.....	Do.
Tennessee Valley Associated Cooperatives, Inc.....	1,000	100	do.....	do.....	Do.
United States Housing Corporation.....	25,344,680	100	do.....	do.....	Do.
<b>Total.....</b>	<b>1,248,324,505</b>				
<b>HELD FOR OTHERS</b>					
Banks for cooperatives.....	172,000,000	97	do.....	Governor of Farm Credit Administration.	United States.
Cargoes, Incorporated:					
Preferred stock.....	100,000	100	Reconstruction Finance Corporation.	Treasurer of Reconstruction Finance Corporation.	Lend-Lease Administration.
Common stock.....	1,000	100	do.....	do.....	Do.
Commodity Credit Corporation.....	100,000,000	100	United States of America.....	Treasurer of United States.....	Secretary of Agriculture.
Defense Homes Corporation.....	10,000,000	100	National Housing Agency.....	National Housing Administrator.	United States.
Defense Plant Corporation.....	5,000,000	100	Reconstruction Finance Corporation.	Treasurer of Reconstruction Finance Corporation.	Reconstruction Finance Corporation.
Defense Supplies Corporation.....	5,000,000	100	do.....	do.....	Do.
Export-Import Bank of Washington:					
Preferred stock.....	174,000,000	100	do.....	do.....	Do.
Common stock.....	1,000,000	100	Secretaries of State and Commerce.	Secretary of Export-Import Bank.	United States.
Federal home-loan banks.....	124,741,000	71	Reconstruction Finance Corporation.	Treasurer of Reconstruction Finance Corporation.	Reconstruction Finance Corporation.

TABLE 3.—Capital stock of Government corporations as of June 30, 1943—Continued

	Par value	Percent of total	Certificate or receipt		
			Issued to	Custodian	For whom held
HELD FOR OTHERS—continued					
Federal National Mortgage Association.....	\$10,000,000	100	Reconstruction Finance Corporation.	Treasurer of Reconstruction Finance Corporation.	Reconstruction Finance Corporation.
Federal Savings and Loan Insurance Corporation.....	100,000,000	100	Home Owners' Loan Corporation.	Treasurer of Home Owners' Loan Corporation.	Home Owners' Loan Corporation.
Inter-American Navigation Corporation.....	500,000	100	Coordinator of Inter-American Affairs.	Treasurer of United States.....	United States.
Metals Reserve Company.....	5,000,000	100	Reconstruction Finance Corporation.	Treasurer of Reconstruction Finance Corporation.	Reconstruction Finance Corporation.
Panama Railroad Company.....	7,000,000	100	Secretary of War.....	Secretary of War.....	United States.
Production credit corporations.....	120,000,000	100	United States of America.....	Governor of Farm Credit Administration.	Do.
RFC Mortgage Company, The.....	25,000,000	100	Reconstruction Finance Corporation.	Treasurer of Reconstruction Finance Corporation.	Reconstruction Finance Corporation.
Rubber Development Corporation.....	100,000	100	do.....	do.....	Do.
Rubber Reserves Company.....	5,000,000	100	do.....	do.....	Do.
U. S. Commercial Company.....	5,000,000	100	do.....	do.....	Do.
U. S. Spruce Production Corporation.....	100,000	100	War Department.	Secretary of War.....	United States.
Virgin Islands Company, The.....	20	100	Secretary and Assistant Secretary of the Interior and Governor of Virgin Islands.	Secretary of the Interior.....	People of Virgin Islands.
War Damage Corporation.....	1,000,000	100	Reconstruction Finance Corporation.	Treasurer of Reconstruction Finance Corporation.	Reconstruction Finance Corporation.
Total.....	870,542,030				
Grand total.....	2,118,866,595				

TABLE 4.—Proprietary interest in Government corporations with mixed ownership as of June 30, 1943

Corporations and interests	Value of proprietary interest		Capital stock				Stockholder's rights	
	Capital stock	Surplus (paid-in and earned)	Number of shares	Par value	Evidence of ownership	Retirement of stock	Dividends	Voting <sup>1</sup>
<b>Banks for cooperatives:</b>								
Private.....	\$4,929,800.00	\$740,880.41	<sup>2</sup> 48,514	100	Certificate.	Upon repayment of loan.....	Not to exceed 7 percent.	Voting.
United States.....	172,000,000.00	25,813,973.23	1,720,000	100	do.....	At any time <sup>3</sup> .....	do.....	None.
<b>Federal Deposit Insurance Corporation:</b> <sup>4</sup>								
Private.....	139,299,556.99		1,392,996	( <sup>5</sup> )	do.....	No provision.....	None.....	Do.
United States.....	150,000,000.00		1,500,000	( <sup>5</sup> )	Receipt.....	do.....	do.....	Do.
<b>Federal home-loan banks:</b>								
Private.....	\$ 54,720,850.00	16,143,396.38	546,273	100	Certificate.	Upon termination of membership.....	Share equally.	Voting.
United States.....	124,741,000.00		1,247,410	100	Receipt.....	At any time subject provisions of the act approved June 27, 1934 (48 Stat. 1264).	do.....	None.
<b>Federal land banks:</b>								
Private.....	94,777,882.50	129,573,886.35	18,955,576½	5	Certificate.	Upon repayment of loan.....	do.....	Voting.
United States.....	121,478,885.00	141,617,69.23	24,295,777	5	do.....	At any time <sup>3</sup> .....	None.....	None.

<sup>1</sup> In some instances the right of the individual stockholder is restricted, as in the case where the stockholders have the right to vote only for the election of a part of the directors as provided by law; whereas, though not permitted to vote, the Federal Government participates in management of these corporations through specific provision of law with respect to the appointment of directors, officers, or with respect to their general supervision.

<sup>2</sup> Exclusive of \$78,400 guaranty-fund cooperatives. (The subscribers to this fund are entitled to dividends in the same amount as subscribers to stock.)

<sup>3</sup> At the discretion of directors subject to approval of the Governor of the Farm Credit Administration.

<sup>4</sup> Does not include liability reserve in the amount of \$369,409,152.57.

<sup>5</sup> No par.

<sup>6</sup> Includes payment in the amount of \$93,550 on subscriptions to unissued stock.

TABLE 5.—Borrowing power and outstanding guaranteed obligations of Government corporations and credit agencies as of Mar. 31, 1944

Corporation or agency	Gross limit of authority	Outstanding obligations	Amount held by Treasury
Commodity Credit Corporation.....	\$3,000,000,000	\$1,487,956,262	\$900,000,000
Federal Farm Mortgage Corporation.....	2,000,000,000	851,325,200	676,351,100
Federal Housing Administration.....	<sup>1</sup> 5,365,000,000	22,822,586	
Federal Public Housing Authority.....	<sup>2</sup> 800,000,000	398,128,000	398,000,000
Home Owners' Loan Corporation.....	4,750,000,000	1,537,355,325	596,546,350
Reconstruction Finance Corporation.....	17,030,244,557	8,249,746,123	7,697,090,123
Tennessee Valley Authority.....	<sup>3</sup> 61,772,500	56,772,500	56,772,500
U. S. Maritime Commission.....	<sup>4</sup> 200,000,000		
Total.....	33,207,017,057	<sup>5</sup> 12,604,105,996	10,324,760,073

<sup>1</sup> Limit of authority to insure mortgages. This amount may be increased by \$1,000,000,000 upon approval by the President. Debentures may be issued and tendered only in exchange for insured property acquired through foreclosure, under titles II and VI of the National Housing Act, as amended.

<sup>2</sup> Limit of authority to issue obligations. This amount may be increased only by the amount of issues for refunding purposes.

<sup>3</sup> Exclusive of \$6,300,000 issued on the credit of the United States and held by the Reconstruction Finance Corporation.

<sup>4</sup> Limit which may be outstanding at any one time with respect to the insuring of ship mortgages and the issuance of debentures.

<sup>5</sup> Includes matured obligations in the amount of \$20,289,750, for the payment of which funds have been deposited with the Treasurer of the United States.



TABLE 6.—Loans outstanding as of March 31, 1944

Corporation	Amount	Corporation	Amount
<b>Agriculture:</b>		<b>Foreign Economic Administration: Export-Import Bank</b>	\$142,270,626
Commodity Credit Corporation	\$408,067,462	War Production Board: Smaller War Plants Corporation	19,059,656
Farm Credit Administration:		National Housing Agency:	
Banks for cooperatives	196,668,471	Federal Public Housing Authority	319,254,453
Federal intermediate credit banks	300,892,892	Defense Homes Corporation	961,625
Federal land banks	1,290,272,123	Federal Home Loan Banks Administration:	
Regional agricultural credit corporations	21,593,222	Federal home-loan banks	99,378,410
Federal Farm Mortgage Corporation	380,842,278	Home Owners' Loan Corporation	1,279,128,520
<b>Commerce:</b>		Federal Deposit Insurance Corporation	26,733,807
Reconstruction Finance Corporation	1,703,670,864	Tennessee Valley Authority	3,422,966
Defense Supplies Corporation	201,228,006	Tennessee Valley Associated Cooperatives (as of Feb. 29, 1944)	241,537
Federal National Mortgage Association	62,120,441		
RFC Mortgage Company, The	109,607,848	<b>Total</b>	6,568,140,100
Disaster Loan Corporation	2,365,897		
Inland Waterways Corporation (as of Feb. 29, 1944)	358,996		

TABLE 7.—Comparative financial data on Government corporations and credit agencies, fiscal years listed

Description	1933 <sup>1</sup>	1938 <sup>2</sup>	1943
Number of corporations and agencies reporting	17	40	59
Principal of loans outstanding	\$3,658,356,080	\$7,819,997,392	\$7,685,706,875
<b>Total assets</b>	6,509,407,992	13,748,798,489	40,965,008,870
Less interagency assets	2,229,532,784	1,423,327,512	13,750,340,119
<b>Net assets</b>	4,279,875,208	12,325,470,977	27,214,668,751
<b>Total liabilities<sup>3</sup></b>	3,557,305,392	8,971,823,162	25,087,877,813
Less interagency liabilities	2,140,283,142	1,093,781,201	13,117,599,118
<b>Net liabilities</b>	1,417,022,250	7,878,041,961	11,970,278,695
<b>Total net worth</b>	2,952,102,600	4,776,975,327	15,877,131,057
Less private interests	89,092,326	369,584,336	440,108,797
<b>U. S. Government's proprietary interest</b>	2,863,010,274	4,407,390,991	15,437,022,260
Less interagency interests	89,249,642	302,000,000	632,741,001
<b>Net proprietary interest of U. S. Government</b>	2,773,760,632	4,105,390,991	14,804,281,259

<sup>1</sup> Revised to include estimated uncollectibles in the amount of \$60,000,000 as assets and the corresponding reserve as liabilities; to exclude \$1,388,531,066 of securities owned by the Treasury reflected as interagency assets.

<sup>2</sup> Revised to include estimated uncollectibles in the amount of \$175,469,041 as assets and the corresponding reserve as liabilities; to exclude \$2,680,227,284 of securities owned by the Treasury reflected as interagency assets; and to include \$27,546,311 of advances to Federal Reserve banks for industrial loans as assets and net worth.

<sup>3</sup> Valuation reserves, such as those providing for estimated losses on loans, are included in the above figures of liabilities.

NOTE.—Preliminary figures published in the Daily Statement of the United States Treasury and the Annual Report of the Secretary of the Treasury have been revised to include items not available at the time of publication. Other revisions (as indicated in footnotes) were necessary to place the 3 years on a more comparable basis.

Source: Compiled from reports submitted to the Treasury Department by corporations and agencies in accordance with Executive Order 6869, superseded by Executive Order 8512.

TABLE 8.—Government corporations' number of employees as of April 30, 1944

Corporation	Number of employees	Corporation	Number of employees
<b>Agriculture:</b>		<b>Federal Economic Administration:</b>	
Commodity Credit Corporation	1,566	Cargoes, Inc.	5
Farm Credit Administration:		Export-Import Bank	60
Banks for cooperatives	170	Petroleum Reserves Corporation	11
Federal intermediate credit banks	315	Rubber Development Corporation	1,488
Federal land banks	2,178	United States Commercial Company	130
Production Credit Corporation	229	<b>Coordinator of Inter-American Affairs:</b>	
General agents for the above banks	488	Institute of Inter-American Affairs	2,423
Regional agricultural credit corporations	80	Institute of Inter-American Transportation	178
Federal Crop Insurance Corporation	199	Inter-American Educational Foundation, Inc.	44
Federal Farm Mortgage Corporation	23	Inter-American Navigation Corporation	4
<b>Commerce, Secretary of:</b>		Prenradio, Inc.	4
Reconstruction Finance Corporation	2,430	<b>War Production Board: Smaller War Plants Corporation</b>	1,744
Defense Plant Corporation	2,694	<b>National House Agency:</b>	
Defense Supplies Corporation	998	Federal Public Housing Authority	10,746
Metals Reserve Company	423	Defense Homes Corporation	30
Rubber Reserve Company	464	<b>Federal Home Loan Bank Administration:</b>	
War Damage Corporation	30	Federal home loan banks	141
Federal National Mortgage Association	112	Federal Savings and Loan Insurance Corporation	54
RFC Mortgage Company, The	202	Home Owners' Loan Corporation	2,805
Disaster Loan Corporation	59	<b>Independent:</b>	
Inland Waterways Corporation	2,292	Federal Deposit Insurance Corporation	1,054
Interior: Virgin Islands Company, The	767	Panama Railroad Company	5,678
Justice: Federal Prison Industries, Inc.	3,791	Tennessee Valley Authority	21,800
War: United States Spruce Production Corporation	3	<b>Total</b>	67,912

TABLE 9.—Principal and field offices of Government corporations as of June 30, 1943

Corporation	Number of offices	Location	
		Principal administrative office	Field offices
<b>Agriculture:</b>			
Commodity Credit Corporation	7	Washington, D. C.	New York, N. Y.; Chicago, Ill.; Minneapolis, Minn.; Kansas City, Mo.; New Orleans, La.; Portland, Maine.
Farm Credit Administration:			
Banks for Cooperatives	13	Kansas City, Mo. <sup>1</sup>	Federal land bank cities. <sup>2</sup>
Federal intermediate credit banks	13	do.	Do.
Federal land banks	13	do.	Do.
Production credit corporations	13	do.	Do.
Regional agricultural credit corporations	3	do.	Minneapolis, Minn.; Wenatchee, Wash.

<sup>1</sup> Supervisory agency—Farm Credit Administration, located in Kansas City, Mo.

<sup>2</sup> Springfield, Mass.; Baltimore, Md.; Columbia, S. C.; Louisville, Ky.; New Orleans, La.; St. Louis, Mo.; St. Paul, Minn.; Omaha, Nebr.; Wichita, Kans.; Houston, Tex.; Berkeley, Calif.; Spokane, Wash. The Baltimore bank maintains a branch in Puerto Rico.

TABLE 9.—Principal and field offices of Government corporations as of June 30, 1943—Continued

Corporation	Number of offices	Location	
		Principal administrative office	Field offices
<b>Agriculture—Continued.</b>			
Federal Crop Insurance Corporation.....	5	St. Louis, Mo.	Denver, Colo.; Dallas, Tex.; Chicago, Ill.; Birmingham, Ala.
Federal Farm Mortgage Corporation.....	13	Kansas City, Mo. <sup>1</sup>	Federal land bank cities. <sup>2</sup>
Federal Surplus Commodities Corporation.....	8	Washington, D. C.	New York, N. Y.; Chicago, Ill.; Atlanta, Ga.; Dallas, Tex.; Denver, Colo.; San Francisco, Calif.; Des Moines, Iowa.
<b>Commerce:</b>			
Reconstruction Finance Corporation.....	13	do.	Federal Reserve banks and certain branch bank cities.
Defense Plant Corporation.....	13	do.	Reconstruction Finance Corporation offices. <sup>3</sup>
Defense Supplies Corporation.....	35	do.	In 31 cities in the United States; San Juan, P. R.; Mexico City, Mex.co; and Rio de Janeiro, Brazil.
Metals Reserve Company.....	48	do.	In 32 cities in the United States, Juneau, Alaska; San Juan, P. R.; and 13 cities in foreign countries.
Rubber Reserve Company.....	40	do.	In 21 cities in the United States and in 18 South and Central American cities.
War Damage Corporation.....	1	do.	None.
Federal National Mortgage Association.....	33	do.	Reconstruction Finance Corporation offices. <sup>1</sup>
RFC Mortgage Company, The.....	33	do.	Do. <sup>3</sup>
Disaster Loan Corporation.....	22	do.	21 Reconstruction Finance Corporation offices.
Inland Waterways Corporation.....	11	St. Louis, Mo.	New York, N. Y.; Chicago, Ill.; Minneapolis, Minn.; St. Paul, Minn.; Kansas City, Mo.; Memphis, Tenn.; New Orleans, La.; Mobile, Ala.; Birmingham, Ala.; Houston, Tex.
Warrior River Terminal Company, Inc.....	3	Birmingham, Ala.	Offices of Inland Waterways Corporation at St. Louis, Mo., and New Orleans, La.
<b>Interior: Virgin Islands Company, The.....</b>	1	St. Croix, V. I.	None.
<b>Justice: Federal Prison Industries, Inc.....</b>	23	Washington, D. C.	32 disbursing offices at penal institutions where industries are located.
<b>War: U. S. Spruce Production Corporation.....</b>	1	Seattle, Wash.	None.
<b>Foreign Economic Administration:</b>			
Cargoes, Inc.....	1	Washington, D. C.	Do.
Export-Import Bank of Washington.....	1	do.	Do.
Petroleum Reserves Corporation.....	1	do.	Do.
Rubber Development Corporation.....	17	do.	Mexico, and 15 South and Central American countries.
United States Commercial Company.....	6	do.	New York, N. Y., and 4 foreign countries.
<b>Coordinator of Inter-American Affairs:</b>			
Institute of Inter-American Affairs.....	22	do.	New York, N. Y.; Miami, Fla.; San Francisco, Calif.; and 18 South and Central American countries.
Institute of Inter-American Transportation.....	1	do.	None.
Inter-American Educational Foundation, Inc.....	22	do.	New York, N. Y.; Miami, Fla.; San Francisco, Calif.; and 18 South and Central American countries.
Inter-American Navigation Corporation.....	2	do.	Uruguay, South America.
Prencinradio, Inc.....	22	do.	New York, N. Y.; Miami, Fla.; San Francisco, Calif.; and 18 South and Central American countries.
<b>War Production Board: Smaller War Plants Corporation.....</b>	115	do.	14 regional, 96 district, and 4 subdistrict offices in the United States.
<b>National Housing Agency:</b>			
Federal Public Housing Authority.....	12	do.	Boston, Mass.; Atlanta, Ga.; New York, N. Y.; Cleveland, Ohio; Chicago, Ill.; Kansas City, Mo.; Fort Worth, Tex.; Seattle, Wash.; San Francisco, Calif.; Detroit, Mich.; Norfolk, Va.
Defense Homes Corporation.....	26	do.	Principal cities in the United States.
Federal Home Loan Banks Administration:			
Federal home loan banks.....	13	do.	Federal home loan bank cities. <sup>4</sup>
Federal savings and loan insurance corporations.....	13	do.	Do. <sup>4</sup>
Home Owners' Loan Corporation.....	8	New York, N. Y.	Atlanta, Ga.; Chicago, Ill.; Cincinnati, Ohio; Dallas, Tex.; Memphis, Tenn.; Omaha, Nebr.; San Francisco, Calif.
U. S. Housing Corporation.....	1	do.	None.
<b>Independent Establishments:</b>			
Federal Deposit Insurance Corporation.....	13	Chicago, Ill.	Boston, Mass.; New York, N. Y.; Columbus, Ohio; Richmond, Va.; Atlanta, Ga.; St. Louis, Mo.; Madison, Wis.; St. Paul, Minn.; Kansas City, Mo.; Dallas, Tex.; San Francisco, Calif.; Washington, D. C.
Panama Railroad Company.....	2	New York, N. Y.	Balboa Heights, C. Z.
Tennessee Valley Authority.....	3	Knoxville, Tenn.	Sheffield, Ala.; Chattanooga, Tenn.
Tennessee Valley Associated Cooperatives.....	1	Waynesville, N. C.	None.

<sup>1</sup> Supervisory agency—Farm Credit Administration located in Kansas City, Mo.<sup>2</sup> Springfield, Mass.; Baltimore, Md.; Columbia, S. C.; Louisville, Ky.; New Orleans, La.; St. Louis, Mo.; St. Paul, Minn.; Omaha, Nebr.; Wichita, Kans.; Houston, Tex.; Berkeley, Calif.; Spokane, Wash. The Baltimore bank maintains a branch in Puerto Rico.<sup>3</sup> Atlanta, Ga.; Birmingham, Ala.; Boston, Mass.; Charlotte, N. C.; Chicago, Ill.; Cleveland, Ohio; Dallas, Tex.; Denver, Colo.; Detroit, Mich.; Helena, Mont.; Houston, Tex.; Jacksonville, Fla.; Kansas City, Mo.; Little Rock, Ark.; Los Angeles, Calif.;

Louisville, Ky.; Minneapolis, Minn.; Nashville, Tenn.; New Orleans, La.; New York, N. Y.; Oklahoma City, Okla.; Omaha, Nebr.; Philadelphia, Pa.; Portland, Ore.; Richmond, Va.; St. Louis, Mo.; Salt Lake City, Utah; San Antonio, Tex.; San Francisco, Calif.; Seattle, Wash.; Spokane, Wash.; and San Juan, P. R.

<sup>4</sup> Boston, Mass.; New York, N. Y.; Pittsburgh, Pa.; Winston-Salem, N. C.; Cincinnati, Ohio; Indianapolis, Ind.; Chicago, Ill.; Des Moines, Iowa; Little Rock, Ark.; Topeka, Kans.; Portland, Ore.; Los Angeles, Calif.

The explanatory statement of the report on Government corporations, presented by Mr. BYRD, is as follows:

#### EXPLANATION OF REPORT

The committee states that there are 44 Government-owned corporations with liabilities of \$16,500,000,000, covered by assets the value of which will not be known for years to come. These corporations possess borrowing power of \$33,000,000,000, plus outstanding loans of \$6,500,000,000. They are operating at a current loss of nearly \$103,000,000. The corporations employ 70,000 officials and employees, who are scattered all over the world. All figures are as of the fiscal year ended June 30, 1943.

So intensive was the investigation with respect to Government-owned corporations that the information gathered was too voluminous to include in the 52-page report. The committee held numerous hearings in order to determine what programs were being carried out by the Government in utilizing the corporate form, and it also sought the opinions of experts in the field of corporations.

Some of these corporations, notably the Reconstruction Finance Corporation and

those functioning under the Coordinator of Inter-American Affairs, are world-wide in scope, and for the most part are handling billions of dollars without current control by Congress, Treasury, Bureau of the Budget, or General Accounting Office.

Government corporations seem to have been created with little thought as to their advantages or disadvantages; some have been set up without capital stock, and others have been established with the idea or even the expressed intention to use up all capital in carrying out their purpose. The net proprietary interest of the Government in all its corporations expanded from two billions seven hundred millions in 1933 to fourteen billions eight hundred millions in 1943. Most of these corporations are perpetual, to be wound up only when dissolved.

Government corporations to a great degree do business in competition with private enterprise. They encroach upon and compete with business—with business under serious disadvantage. They have practically unlimited Government credit at low rates of interest; freedom in some instances from Federal, State, and local taxation on property and securities, except taxes on real estate; they also enjoy the privilege of penalty mail and

other concessions similar to those enjoyed by regular Federal agencies. Add to these the prestige of a Government agency, and business meets an invincible competitor.

There is no effective over-all control. Alone or in certain groups these corporations are autonomous. There has been a growing independence on the part of the corporations to resist attempts of the General Accounting Office to audit their accounts, and, on the other hand, this Office has failed to press its rights in this matter under Executive Order 6549.

#### JOINT COMMITTEE'S CONCLUSIONS

A great diversity in creation and organization of Government corporations is noted.

The lack generally of over-all control—current control by Congress, Treasury, and General Accounting Office—should have immediate attention.

Some corporations carry on extra corporate functions to an important extent—payment of subsidies, price supports, buying and selling at a loss.

Corporations were largely created to meet a crisis or emergency.

The corporate form is entirely too free a resort. Corporations were formed in many



cases in which an ordinary agency would have sufficed.

Using State charters to implement corporations 1. anomalous, and may be objectionable and dangerous.

Corporations have not been successful on a profit-and-loss basis, but Government corporations are not usually established to make money. Panama Railroad Company (operating a monopoly in the Canal Zone) is an exception.

Farm-credit institutions are to some extent overcapitalized and a return to the Treasury should be considered.

The number of corporations and their complicated interrelations defeat a clear understanding of the purposes and objectives of each.

A corporation placed in liquidation should be transferred to a regular agency—the Treasury, for instance—for such liquidation. Liquidation should be prompt so far as sound principles will permit.

#### RECOMMENDATIONS

It is recommended—

1. That over-all public control be established promptly with reference to current control by the Congress, the Budget, Treasury, and General Accounting Office:

To take form of a business-type budget—a work program for the ensuing year, with comparisons for the year in progress, and for the last completed year—presented to the Bureau of the Budget;

After review and modification to be included in the Budget for submission to Congress;

To be acted upon by Congress in a similar manner as to appropriations;

With provision for control accounts in the Treasury, and audit by the General Accounting Office.

2. That the Comptroller General of the United States be made the auditor and comptroller, ex officio, of each and every Government corporation.

It would be necessary in carrying out this procedure to make provision for some discretion in executing the programs as authorized;

And to arrange for the procedure as to audit and settlement by the General Accounting Office, and for the manner of Treasury control.

(The Secretary of the Treasury and the Director of the Budget are not in complete agreement with recommendation No. 2 of the report.)

#### PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate by the Vice President, and referred as indicated:

A concurrent resolution of the Legislature of South Dakota; to the Committee on Commerce:

"Concurrent resolution memorializing agencies of the Federal Government to adopt plans for development of the Missouri River Valley

*"Be it resolved by the House of Representatives of the State of South Dakota and the Senate concurring:*

*"That we hereby memorialize the President, the Congress, and all interested departments and agencies of the United States of America with the following stated ideas, suggestions, and recommendations:*

*"That a plan of valley-wide development of the Missouri River system be authorized as a national enterprise for development of natural resources and the furnishing of labor and business opportunity for post-war readjustment purposes.*

*"That there be enacted into law, subject to such amendments as your investigations and deliberations may warrant, all the authorization plans now submitted for your consideration relative to Missouri River development and commonly referred to as the*

*Army Engineer Corps flood-control plan, the rivers and harbors bill, and the Bureau of Reclamation plan.*

*"That all of said authorization plans be adopted with saving clauses or reservations to the effect that none of them shall ever be administered nor construed as authorizing any priorities of rights or interest nor any vested rights in any one on account of developments, uses, investments, or similar operations or uses made on account of said developments.*

*"That after said authorization plans are adopted that the National Government coordinate them in the general public interest through control of appropriations for construction operation and maintenance so that structures common to carrying out the general purposes of all plans shall be first constructed and so that all sections of the valley may receive recognition in development and protection of interests appropriate to their economic and social conditions.*

*"That construction plans be so devised and appropriations made that substantial construction projects may be commenced simultaneously in all of the Missouri Valley States after the end of the war for the purpose of providing post-war employment and business opportunities throughout the entire Missouri Valley as soon as practicable.*

*"That all of said plans and appropriations by the National Government be made with the general purpose and understanding that none of the States shall in any manner relinquish any sovereign rights which they now hold in the ownership of stream beds, waters, or things appurtenant thereto, and that when the original costs of the Federal investment in the improvements are repaid, either through revenues from the same or otherwise, that the Missouri Valley States shall be entitled to the revenues thereafter subject to payment of operation and maintenance costs, and subject always to the rights of the National Government to exercise dominion and control over the improvement for the purposes of flood control, irrigation, navigation, power, interstate commerce regulation, and all other subjects under which it may have rights of control pursuant to the Constitution of the United States and that on all other things the Missouri Valley States shall have dominion and control; be it further*

*"Resolved, That copies of this resolution be transmitted by the Governor of this State to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives of the National Congress, and to all of the members of the South Dakota congressional delegation, and to such others as to him may seem advisable.*

*"Adopted this 12th day of July 1944."*

A joint resolution of the Legislature of California; to the Committee on Agriculture and Forestry:

#### "Assembly Joint Resolution 3

"Joint resolution relative to memorializing Congress to provide adequate support for the maintenance of the San Joaquin Experimental Range by the Forest Service, United States Department of Agriculture

"Whereas there is in the county of Madera, State of California, the San Joaquin Experimental Range of the United States Forest Service, Department of Agriculture, established in 1935 for the major purposes of: (a) making studies of the proper utilization of natural range through conservation, re-seeding, introduction of new species, fertilization, cultivation, and management, and (b) making studies of the proper management of livestock on the range; and

"Whereas the studies now being carried on at this station are proving to be of marked benefit to the livestock industry, and give promise of immeasurably greater benefits if continued: Now, therefore, be it

*"Resolved by the Assembly and Senate of the State of California (jointly), That the Congress of the United States be memorialized to give consideration to the appropriation of adequate funds for the continuance of this vital work by the Forest Service, Department of Agriculture; and be it further*

*"Resolved, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, the Secretary of Agriculture, and each Member of the Senate and the House of Representatives from California in the Congress of the United States."*

Two resolutions of the House of Representatives of California; to the Committee on Agriculture and Forestry:

#### "House Resolution 132

"Resolution relating to prolonging the wild fowl shooting season

"Whereas for many years there was a very noticeable scarcity of migratory wild fowl; and

"Whereas sportsmen all over the Nation led by Ducks Unlimited have used strenuous efforts to increase such game; and

"Whereas the Federal Government functioning through the Department of the Interior has through scientific methods materially increased the numbers of migratory fowl until during the last few hunting seasons sportsmen have enjoyed better shooting than for several years past; and

"Whereas the take of wild fowl has materially improved the food situation during the war period; and

"Whereas migrating wild fowl are causing large destruction of valuable farm food crops within the State; and

"Whereas, California is so long north and south as would naturally provide two shooting seasons if judged by the migration of wild fowl; and

"Whereas the State Assembly after studied consideration believe that the State south of the Tehachapi should be placed in the southern shooting zone, and also that the shooting seasons in each of the zones should be expanded by at least a month longer than formerly: Now, therefore, be it

*"Resolved by the Assembly of the State of California, That the Federal Government acting through the Department of the Interior be memorialized to carry out the purpose of this resolution; and be it further*

*"Resolved, That the chief clerk of the assembly is hereby instructed to send copies of this resolution to the President and Vice President of the United States, the Secretary of Interior, the Speaker of the House of Representatives, and to the Senators and Representatives from California in the Congress of the United States."*

#### "House Resolution 44

"Resolution relative to encouraging propagation of cork oak trees in the United States with a view to freeing this Country from its dependence upon Europe for its supply of this vital material.

"Whereas the United States with its diversity of industry and California particularly, with its huge wine and bottling industries, consume a tremendous amount of cork; and

"Whereas life preservers, marine and building insulation material, and many other manufactured products require additional vast quantities of cork; and

"Whereas cork has been listed by the Army and Navy Department as among the 15 most critical war materials; and

"Whereas the cork oak can be successfully grown in certain parts of the United States and especially in the Southwest and in California, particularly in sections which are very

like the cork-growing regions of Spain, Portugal, and North Africa, and moreover the cork produced from California trees is physically and chemically equal in quality to Spanish, Portuguese, and African cork and gives equally satisfactory results in production and use; and

"Whereas up to now the interest in growing cork oak trees in this country has not resulted in development on a commercial scale, principally because of the length of time required before the trees are large enough to strip off readily salable bark; and

"Whereas in the past 4 years nearly 150,000 cork oaks have been planted in 40 counties of California, and the State Board of Forestry, the State Director of Natural Resources, and other officials and industrial leaders are working to put the cork-growing industry in California upon a commercial basis: Now, therefore, be it

*Resolved by the Assembly of the State of California, That the Congress of the United States be, and it is hereby memorialized to aid this program by its active support; and be it further*

*Resolved, That the chief clerk of the assembly transmit copies of this resolution to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives of the United States, and the Senators and Representatives from California in the Congress of the United States."*

Two joint resolutions of the Legislature of the State of California; to the Committee on Education and Labor:

#### "Assembly Joint Resolution 2

"Joint resolution memorializing the Congress of the United States to make a survey of the needs of various schools for adult manual education, before authorizing disposal of equipment or machinery used in the production of war material

"Whereas from now on the United States Government and its agencies will have for disposal in increasing quantities equipment and machinery built primarily for the production of war materials but much of it still usable or adaptable for use in manual training schools; and

"Whereas because of the return of many physically handicapped servicemen to civilian life and of the more or less temporary war and post-war economic readjustments, there will be an increasing need of adult mechanical training, in which much machinery and equipment now owned by the Federal Government and its agencies could be well used: Now, therefore, be it

*Resolved, That before disposing of equipment or machinery which is fitted or may be adapted for use in manual training schools for adult education, the Congress of the United States be, and it is hereby, memorialized to cause a survey to be made of the needs of adult training schools throughout the country with a view to making available to them such machinery and equipment belonging to the Federal Government and its agencies, and no longer needed, as may be fitted or adapted to the use of such schools; and be it further*

*Resolved, That the chief clerk of the assembly be hereby directed to forward copies of this resolution to the President and the Vice President of the United States, to the Speaker of the House of Representatives and to each Senator and to each Member of the House of Representatives from California in the Congress of the United States."*

#### "Assembly Joint Resolution 11

"Joint resolution relative to the post-war disposition of temporary and demountable war housing by the Federal Government through appropriate State and local governmental authority

"Whereas there exist in the State of California many thousands of units of temporary

and demountable war housing and facilities now under the management and control of the Federal Public Housing Authority; and

"Whereas the retention of said housing units and facilities in their present location will tend to depress the market value of real property and have a detrimental effect upon home building enterprises in those areas during the post-war period; and

"Whereas said housing units and facilities can be used satisfactorily to improve much of the agricultural housing in the State of California during the post-war period; and

"Whereas the several State departments and organizations interested in post-war farm problems have been engaged in cooperative discussions with the Federal Public Housing Authority relative to ways and means of making said temporary and demountable war houses available for agricultural housing purposes in the post-war period; and

"Whereas the Agriculture Committee of the California Commission on Interstate Cooperation has been seeking to assist in these cooperative efforts: Now, therefore, be it

*Resolved by the Assembly and the Senate of the State of California (jointly), That the legislature of the State of California does commend these groups for the efforts they are exerting in bringing about a proper solution to this problem; and be it further*

*Resolved, That the Congress of the United States, the Federal Public Housing Authority, and the State Departments in California interested in this problem be and they are urged to continue their efforts, and through appropriate legislative and administrative orders act to clear up any difficulties and carry the attack on the problem through to a successful conclusion; and be it further*

*Resolved, That copies of this resolution be sent to the Vice President of the United States, the Speaker of the House of Representatives of the United States, each of the Senators and Representatives from California in the Congress of the United States, the Federal Public Housing Authority, and the Agriculture Committee of the California Commission on Interstate Cooperation."*

A joint resolution of the Legislature of the State of California; to the Committee on Finance:

#### "Assembly Joint Resolution 4

"Joint resolution relative to the establishment of a veterans' hospital in central California

"Whereas the hospitalization and rehabilitation of veterans is one of our first and foremost duties; and

"Whereas the climatic and geographic conditions in central California offer an ideal site for a veterans' hospital and home for domiciliary care; and

"Whereas there has been introduced by BERTRAND W. GEARHART, Member of Congress from California, a bill known as H. R. 4560, to provide for the erection of a United States Veterans' Administration hospital and home of domiciliary care in central California: Now, therefore, be it

*Resolved by the Assembly and the Senate of the State of California, jointly, That Congress is hereby respectfully memorialized to act favorably on H. R. 4560; and be it further*

*Resolved, That the chief clerk of the assembly be and he is hereby directed to send copies of this resolution to the President, Vice President, Speaker of the House of Representatives, and to the Senators and Representatives from California in the Congress of the United States."*

Two joint resolutions of the Legislature of California; to the Committee on Military Affairs:

#### "Assembly Joint Resolution 6

"Joint resolution relative to making shotgun shells available to farmers

"Whereas it is essential to the production of food and fiber that rice and other grains

be protected against the damage done by mud hens and resident ducks; and

"Whereas it is necessary that shotgun shells be made available in adequate quantities for purchase by farmers to provide for such protection; and

"Whereas the War Production Board, by its order L-286, as amended August 25, 1943, promulgated an elaborate set of regulations governing the allotment of shotgun shells to farmers and others, under which farmers and ranchers have received permits enabling them to purchase shotgun shells; and

"Whereas such permits have been of little benefit to farmers and ranchers because they have been unable to obtain such shells, as they have been purchased by other persons holding permits from the War Production Board; and

"Whereas it is necessary either to increase the allotment of shotgun shells to California so that farmers and rancher holding permits may be able to purchase the shells covered thereby or, if such cannot be done, to limit the permits issued to persons other than farmers and ranchers: Now, therefore, be it

*Resolved by the Assembly and Senate of the State of California (jointly), That the War Production Board be memorialized either to make more shotgun shells available to farmers and ranchers holding permits to purchase such shells in California or, if the necessities of war prevent such increased allotment, to limit the granting of permits to persons other than farmers and ranchers so that shells may be obtained by the latter in order to protect their growing grain and thus to augment the food supply of this Nation; and be it further*

*Resolved, That the chief clerk of the assembly shall transmit copies of this resolution to the President and Vice President of the United States, to Donald M. Nelson, Chairman of the War Production Board, and J. Joseph Whelan, recording secretary thereof, and to the Members of the Congress of the United States from California."*

#### "Assembly Joint Resolution 16

"Joint resolution relative to the establishment of an Optometric Corps in the United States Army

"Whereas for the efficient functioning of the members of the armed forces of the United States it is necessary that their visual requirements be adequately cared for; and

"Whereas the War Department estimates that 20 percent of United States soldiers require correction of their visual needs by the use of eyeglasses (approximately 2,200,000 individuals); and

"Whereas at present the supplying of the visual needs is under the direction of the Medical Corps administered by the Surgeon General of the Army; and

"Whereas to help fulfill these needs the Medical Corps is using the services of approximately 1,000 optometrists; and

"Whereas the Surgeon General and The Adjutant General have declared that more optometrists are needed to insure adequate visual care for all members of the armed forces; and

"Whereas these optometrists are being drafted as privates, and only in rare instances are they permitted to attain even noncommissioned rank; and

"Whereas all these optometrists must be (1) graduates of a 4-year professional course in optometry at an approved university or school of optometry, and (2) licensed in one of the States of the United States; and

"Whereas many optometrists have sought and obtained commissioned rank in other branches of the United States Army, so that they might attain the recognition accorded others with similar education and professional attainments; and

"Whereas with adequate recognition most of the optometrists who are now serving in other branches of the armed forces would



transfer to an Optometric Corps and help provide the needed personnel; and

"Whereas many optometrists now in private practice would join the armed forces if they were able to do so in the manner permitted to other professionals, such as physicians, dentists, and nurses; and

"Whereas the Surgeon General has stated that optometrists cannot be commissioned in the Medical Corps, as only licensed physicians can receive such commissions: Now, therefore, be it

*"Resolved by the Assembly and Senate of the State of California (jointly), That the legislature of this State endorse the formation of an Optometric Corps in the United States Army and in the Army of the United States and request the Members of Congress to enact the same into law; and be it further*

*"Resolved, That the chief clerk of the assembly prepare and transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives of the Congress of the United States, to each Senator and Member of the House of Representatives from California in the Congress of the United States, and that the Senators and Representatives from California are hereby respectfully urged and requested to support the establishment of the said Optometric Corps."*

Three joint resolutions of the Legislature of California; to the Committee on Post Offices and Post Roads:

#### *"Assembly Joint Resolution 8*

*"Joint resolution relative to memorializing the President and Congress to have the Mammoth Pass Road in California constructed as a post-war construction project*

*"Whereas sound post-war planning demands that the Federal Government undertake many construction projects employing vast numbers of men, and economical management requires that the Government's money be spent upon projects of lasting benefit; and*

*"Whereas the National Government has assisted in the construction of a national highway from the Mexican border to the Canadian line, known as United States Highway No. 395; and*

*"Whereas the United States Highway No. 395 connects with various other highways leading to other portions of California; and*

*"Whereas present direct traffic routes from the San Joaquin and Santa Clara Valleys through the Sierra Nevada Range connecting with said United States Highway No. 395, are closed for a large part of the year by heavy snows; and*

*"Whereas the Mammoth Pass, which is within a few miles of United States Highway No. 395, is much lower and in more open country and is not closed with snow for as long a time in the winter months as the other passes; and*

*"Whereas a portion of said proposed highway has been constructed by the Forestry Department, building from both sides of the mountain range, leaving a distance of approximately 45 miles to connect the said Highway No. 395 and State Highway No. 125 and State Highway No. 126; and*

*"Whereas the proposed highway will connect with United States Highway No. 99 from which several State highways lead across the Coast Range to the Santa Clara Valley on the west side of the said range, and connect with United States Highways Nos. 101 and 466; and*

*"Whereas the construction of the highway over the said Mammoth Pass which could be kept open during the entire year through the use of modern machinery would provide an important east-west traffic route through the Sierras, and would be in every way a desirable post-war construction project.*

*"Whereas the construction of the proposed highway would not only be of importance from the standpoint of national defense, but*

would be of inestimable advantage from an economic standpoint, in that it would:

*"(a) Afford an opportunity for the development of a virgin territory with extensive natural lumber resources amounting to upward of 2,800,000,000 board feet of a present commercial value and an additional 2,000,000,000 board feet of potential pulp timber and substantial deposits of iron, lead, and silver;*

*"(b) Attract a large number of visitors to view the priceless heritage of forests, mountains, game animals, birds, and other scenic beauties of the region which would be open to tourist and other travel;*

*"(c) Provide a loop trip for those persons traveling from southern California to the Owens River Valley by the eastern route;*

*"(d) Assist in the full power and irrigation storage development of the upper San Joaquin River in order to meet the needs of the Central Valley project; and*

*"Whereas the building of the proposed highway would contribute in great measure to the future and increasing growth and prosperity of the San Joaquin Valley, and of other portions of this State; and*

*"Whereas, on August 13, 1940, Representative GEARHART, of California, introduced in the House of Representatives of the Congress of the United States, H. R. 10348, of the Seventy-sixth Congress, third session, authorizing the Secretary of Agriculture to construct, extend, and improve that highway: Now therefore, be it*

*"Resolved by the Assembly and Senate of the State of California (jointly), That the President and the Congress of the United States be memorialized to take such steps as may be necessary to have the said Mammoth Pass Road constructed to commence at or near Casa Diablo in Mono County, on United States Highway No. 395, and continue over Mammoth Pass at the most feasible location and connect with State Highway No. 125 and Highway No. 126 in Madera County, a distance of approximately 45 miles; and be it further*

*"Resolved, That the Congress of the United States be memorialized to take up again the consideration of, and pass, the said bill, H. R. 10348, or to otherwise make a suitable appropriation and order the construction of said highway as soon as possible; and be it further*

*"Resolved, That a copy of this resolution be sent by the chief clerk of the assembly, to the President and Vice President of the United States, to Gen. P. B. Fleming, Federal Works Administrator, to the Speaker of the House of Representatives of the Congress of the United States, and to each Senator and Representative from California, and from Nevada in the Congress of the United States; and the Senators and Representatives from California and Nevada are hereby respectfully urged to request such action."*

#### *"Assembly Joint Resolution 10*

*"Joint resolution relative to an interregional highway connecting San Diego and the extreme southern part of the State with the easterly regions of the United States*

*"Whereas the Congress of the United States now has before it for consideration a plan of establishing a system of interregional highways; and*

*"Whereas the establishment of a direct interregional highway connecting the San Diego and Imperial Valley region with the easterly regions of this country would be of immeasurable benefit to southern California by affording a more direct route of communication between southern California and the Eastern States: Now, therefore, be it*

*"Resolved by the Assembly and the Senate of the State of California (jointly), That the Congress of the United States be memorialized to include within any interregional high-*

way system authorized by the Congress a route directly connecting the San Diego-Imperial Valley region with the easterly portions of the United States; and be it further

*"Resolved, That copies of this resolution shall be transmitted by the chief clerk of the assembly to the President and Vice President of the United States; to Gen. P. B. Fleming, Federal Works Administrator, Washington, D. C., to the Speaker of the House of Representatives; and to the Members of the Congress of the United States from the State of California."*

#### *"Assembly Joint Resolution 13*

*"Joint resolution relative to the enactment by Congress of H. R. 4915, providing Federal aid for post-war highway construction*

*"Whereas the need for public works projects following the termination of the war to furnish employment for returning servicemen and those no longer needed in war industries will be one of the most pressing problems facing the Nation; and*

*"Whereas a program of highway construction is ideally suited to meet a substantial portion of this need; and*

*"Whereas there is now pending in the Congress of the United States H. R. 4915 which will appropriate Federal funds for post-war highway construction, the funds to be apportioned among the States, to be expended by the States; and*

*"Whereas the method of apportionment between the States, and, as to the amount received by each State, between the various types of highways therein, is eminently fair and designed not only to provide employment where it will be most needed but to improve the highways which are most in need thereof: Now, therefore, be it*

*"Resolved by the Assembly and Senate of the State of California (jointly), That the Congress of the United States be and it is hereby memorialized to enact H. R. 4915; and be it further*

*"Resolved, That the chief clerk of the assembly prepare and transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives of the Congress of the United States, and to each of the Senators and Representatives from California."*

A resolution of the House of Representatives of California; to the Committee on Public Lands and Surveys:

#### *"House Resolution 72*

*"Resolution relating to privately owned cabins in United States forest reserves*

*"Whereas many persons have rented small tracts of land in United States forest reserves from the United States Government and have erected thereon privately owned cabins for use in the summer; and*

*"Whereas such owners are required to pay a rental to the United States for the use of the land and also to pay taxes to the county in which the land is situated for the improvements they have erected; and*

*"Whereas provision is made for camps for transients who receive considerable recreational benefits at practically no cost; and*

*"Whereas the United States receives a benefit from the presence of the cabin owners, who are semipermanent, in that the cabin owners are more vigilant and careful as to fire hazards: Now, therefore, be it*

*"Resolved by the Assembly of the State of California, That the President and Congress of the United States are hereby requested to make provision whereby any person who leased a cabin site on United States land and paid the rentals for a period of 10 years shall be exempted from further payments of rentals while the property remains in his possession; and be it further*

"Resolved, That copies of this resolution be transmitted by the chief clerk of the assembly to the President and Vice President of the United States, the Chief of the United States Forest Service, and to each Senator and Member of the House of Representatives in the Congress of the United States from California."

A resolution of the Representative Council of the City of Newport, R. I., favoring the enactment of Senate bill 1371, to amend an act entitled "An act for the retirement of employees in the classified civil service, and for other purposes", approved May 22, 1920; to the Committee on Civil Service.

A resolution adopted by the Louisiana Municipal Association favoring the enactment of House bill 1502, to clarify the application of the Securities Exchange Act of 1934 to exempted securities, and for other purposes; to the Committee on Interstate Commerce.

A resolution of the Municipal Assembly of Naranjito, P. R., favoring the retention of Hon. Rexford G. Tugwell as Governor of Puerto Rico; to the Committee on Territories and Insular Affairs.

A resolution of the Municipal Assembly of Lajas, P. R., favoring the removal of Hon. Rexford G. Tugwell as Governor of Puerto Rico; to the Committee on Territories and Insular Affairs.

The petition of the Puerto Rico Medical Association, praying for the enactment of Senate bill 1851, to provide for the establishment of a division of tuberculosis in the United States Public Health Service, and favoring its application to Puerto Rico; to the Committee on Education and Labor.

A resolution adopted at Kenosha, Wis., by the Navy Club of the United States of America, favoring the maintenance of the United States Navy as the largest navy in the world with sufficient world bases, for the security of the Nation and the maintenance of international order and peace; to the Committee on Naval Affairs.

A resolution adopted at New York City by representatives of La Princessa Mutual Aid Society, Mistretta Mutual Aid Society, Naro Mutual Aid Society, and Gramiciele Mutual Aid Society, favoring the extension of lend-lease aid to Italy; to the Committee on Foreign Relations.

A petition of members of women's civic organizations of Cedar Rapids, Iowa, praying for the adoption of a strong foreign policy, and the establishment of peace with provision of sufficient force for its maintenance; to the Committee on Foreign Relations.

A resolution of the Municipal Council of St. Thomas and St. John, V. I., and a resolution of the Municipal Council of St. Croix, V. I., relating to Judge Herman E. Moore of the District Court of the Virgin Islands; to the Committee on the Judiciary.

The petition of Cecil Wright, of Alcatraz, Calif., praying for the institution of impeachment proceedings against Judge Walter C. Lindley; to the Committee on the Judiciary.

A resolution adopted by Laundry Workers and Cleaners International Union, Local No. 183, A. F. of L., of Minneapolis, Minn., favoring Nation-wide radio broadcasting of the proceedings of Congress; to the Committee on Rules.

The petition of John Hoasko, of Gary, Ind., praying for the enactment of Senate bill 1161, to provide an enlarged social security program; to the Committee on Finance.

The petition of Basil Martin, of Dawson Springs, Ky., praying for the enactment of House bill 4099, to extend the legal period of the Philippine Insurrection so as to include active service with the United States military or naval forces engaged in hostilities in Moro Province, including Mindanao, or in the islands of Samar and Leyte, between July 5, 1902, and December 31, 1913; to the Committee on Pensions.

Petitions and papers in the nature of petitions of citizens and real estate companies of New York City and vicinity, praying for the enactment of legislation to amend the rent-control provisions of the Emergency Price Control Act so as to remove certain alleged inequities and discriminations against owners of housing accommodations; ordered to lie on the table.

#### EXECUTIVE REPORTS OF A COMMITTEE

Mr. WALSH of Massachusetts, as in executive session, from the Committee on Naval Affairs, reported favorably the nominations of sundry citizens and a meritorious noncommissioned officer to be second lieutenants in the Marine Corps.

#### BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMAS of Oklahoma:

S. 2049. A bill to validate titles to certain lands conveyed by Indians of the Five Civilized Tribes; to the Committee on Indian Affairs.

(Mr. GREEN (for himself and Mr. Lucas) introduced Senate bill 2050, which was referred to the Committee on Privileges and Elections, and appears under a separate heading.)

(Mr. GEORGE introduced Senate bill 2051, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. BREWSTER:

S. 2052. A bill for the relief of Ada B. Foss; to the Committee on Claims.

S. 2053. A bill relating to the pay of officers of the retired list of the Navy serving on active duty in the rank of rear admiral; to the Committee on Naval Affairs.

By Mr. WHEELER:

S. 2054. A bill authorizing the issuance of a patent in fee to Frederick Alden; and

S. 2055. A bill authorizing the issuance of a patent in fee to Ruth Morning; to the Committee on Indian Affairs.

By Mr. WALSH of Massachusetts:

S. 2056. A bill to authorize the Secretary of the Navy to lease certain lands situated in San Diego County, State of California; to the Committee on Naval Affairs.

By Mr. LUCAS:

S. J. Res. 144. Joint resolution urging the institution of Americans All-Immigrants All program; to the Committee on Education and Labor.

#### DISSEMINATION OF NEWS AND ENTERTAINMENT TO MEMBERS OF THE ARMED FORCES

Mr. GREEN. Mr. President, for the Senator from Illinois [Mr. LUCAS] and myself, I introduce a bill to amend the act of August 2, 1939, entitled "An act to prevent pernicious political activities," as amended by the act of April 1, 1944, entitled "An act to facilitate voting in time of war by members of the land and naval forces, members of the merchant marine, and others, absent from the place of their residence, and to amend the act of September 16, 1942, and for other purposes." I ask that the bill be referred to the Committee on Privileges and Elections.

The VICE PRESIDENT. The bill will be received and referred as requested.

Mr. GREEN. I desire to make a brief explanation of the reasons for the in-

roduction of the bill by the Senator from Illinois and myself.

Title V of Public Law 277, the so-called soldiers' vote bill, was passed last winter without sufficient information or understanding as to its complete effect on the operation of the War and Navy Departments in the dissemination of news and entertainment to men in our armed services. The provisions of title V have been tested now over a period of 4 months and in actual practice it has become apparent that title V, as it is now written, does not truly represent the intent of the Senate as it was last winter or as it is now.

Two things seem to be apparent:

First. It is highly desirable, almost vital, that members of the armed forces be reliably, accurately, and completely informed if their morale is to be maintained and enemy propaganda is to be offset. An informed soldier or sailor is both a better fighter and a better citizen. So the Army and Navy Departments are engaged in supplying the members of their services with a comprehensive and vast program of news and entertainment so far as they are not prevented by law.

Second. The stated intent of the Senate in passing title V was only to insure impartiality. It was not to shut off from members of the Army and Navy the news and information accessible generally to civilians in the United States. The services have administered title V in accordance with its terms and are in the sound position of interpreting limitations on political propaganda among their members strictly in accordance with the law as it is written.

However, the phraseology adopted has had the effect of restricting the dissemination of some literature and material which it does not appear to me this Senate intended to restrict when title V was passed.

The cure for the situation is certainly not to have the Army loosely interpret the law. The cure is in correcting the law itself, so that it truly represents the intent of the Senate and permits servicemen to read, see, and hear the same things they would if they were at home.

For that reason I propose this amendment to the law and hope that it may be adopted without any unnecessary delay.

The bill (S. 2050) to amend the act of August 2, 1939, entitled "An act to prevent pernicious political activities," as amended by the act of April 1, 1944, entitled "An act to facilitate voting, in time of war, by members of the land and naval forces, members of the merchant marine, and others absent from the place of their residence, and to amend the act of September 16, 1942, and for other purposes," was read twice by its title and referred to the Committee on Privileges and Elections.

Mr. TAFT. Mr. President, in relation to the matter just referred to by the Senator from Rhode Island [Mr. GREEN], I desire to read a short statement which I gave to the press several days ago:

A considerable misunderstanding has arisen regarding the effect of section 22 of the Hatch Act, which I sponsored in its original form, but which was worked out with the Army and Navy representatives after it passed the Senate.



There seems to be some idea that books and other material sent to the armed forces is to be censored. The misrepresentation in the press and by columnists has been so complete that wives and parents seem to think their mail to the soldiers will be opened and political material removed. Of course, the opposite is the fact. The law provides that nothing shall prevent the sending of any letter, communication, magazine, newspaper, or other literature to any soldier if it is sent by an individual, corporation, or political committee at its own expense. Anything may go. Not only that, the section provides that it is unlawful for any censor to remove from any matter addressed to an individual member of the armed forces even political literature. As a matter of fact, the section applies only to the use of Government money or sponsorship for magazines, newspapers, books, broadcasts, etc. We face a unique situation in which all means of communication to some 5,000,000 voters are controlled by the Government, and the soldiers cannot have access to all the newspapers and magazines as do the voters at home. The Government is actually distributing at its own expense practically all the material which reaches the soldiers, including the servicemen's magazines, and they are now printing and buying the books which are distributed. I think there can be no disagreement with the general purpose of the section that this great power of the Government shall not be used to distribute political argument or political propaganda of any kind designed or calculated to affect the election.

The amendment, however, contains express authorization for the impartial distribution of literature. It excepts from the section entirely "the distribution to members of the armed forces of books, magazines, and newspapers which have a general circulation in the United States, or of servicemen's magazines or newspapers."

So that books, magazines, and newspapers having a general circulation in the United States may be sent abroad no matter what kind of political propaganda they contain. The only question which has arisen is whether the Government, at Government expense, shall print certain books. Every month the Government is printing 32 books which are selected from a long list of books, and the whole controversy is related to whether the Government shall each month print 90,000 copies and distribute them throughout the world if they contain political propaganda or political literature.

But the amendment contains the following specific provisions regarding such distribution:

1. Books: It is stated that "books of general circulation hereafter purchased shall be selected from books not containing political argument or political propaganda of any kind designed or calculated to affect the result of any election." This obviously does not limit the circulation of secondhand books of general circulation supplied through the Red Cross or the U. S. O. or at private expense. It applies only to the spending of Government money to have books printed. It is not intended, certainly, to exclude even the printing by the Government of such books as Charles A. Beard's Republic or Mrs. Catherine Bowen's Yankee From Olympus. I understand the Navy agrees to this. The Army interpretation has certainly been too strict, but does not seem to be justified by the act.

2. News: The act provides expressly that servicemen's magazines or newspapers sponsored or paid for by the Government may be circulated, but "shall be nonpartisan and

nonpolitical." Certainly, no one can question the wisdom of this principle. It certainly does not exclude the publication of official speeches such as Mr. Dewey's acceptance speech. The act goes on to provide expressly that it "shall not prohibit or curtail impartial coverage or presentation, as news or information, of public events, and persons in public life." I do not see how the act could be more liberal unless we abolished the principle of nonpartisanship altogether, and let the United States Government run a political newspaper.

The act contains other provisions authorizing even editorials, columns, and argumentative matter for one part, if an equal space is given to the representatives of the other; also, provisions for broadcasting political addresses, if equal time is given to both parties.

I might add that the chief difficulty seems to be that Army officers are unwilling to take the responsibility for saying that a mere reference to politics or history is not political propaganda. If that is so, I am certainly willing to leave it to the opinion of the Secretary of War as to what is political propaganda, so that individual officers may be protected.

#### HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on the Judiciary:

H. R. 4349. An act to exempt certain officers and employees of the National War Labor Board from certain provisions of the Criminal Code;

H. R. 4446. An act to exempt certain officers and employees within the Office of Scientific Research and Development from certain provisions of the Criminal Code; and

H. R. 4468. An act to exempt certain officers and employees of the War Department from certain provisions of the Criminal Code and Revised Statutes.

#### ADDRESS BY THE VICE PRESIDENT SECONDING THE NOMINATION OF PRESIDENT ROOSEVELT

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD the address delivered by Hon. HENRY A. WALLACE, Vice President of the United States, seconding the nomination of President Roosevelt at the Democratic National Convention in Chicago, Ill., on July 20, 1944, which appears in the Appendix.]

#### ADDRESS BY THE VICE PRESIDENT TO IOWA DEMOCRATIC STATE CONVENTION

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD the address delivered by Hon. HENRY A. WALLACE, Vice President of the United States, to the Iowa Democratic State convention at Des Moines, Iowa, on July 29, 1944, which appears in the Appendix.]

#### ADDRESS BY SENATOR WALSH OF MASSACHUSETTS SECONDING THE NOMINATION OF SENATOR BARKLEY FOR VICE PRESIDENT

[Mr. WALSH of Massachusetts asked and obtained leave to have printed in the RECORD the address delivered by him at the Democratic National convention in Chicago, seconding the nomination for Vice President of Senator BARKLEY, of Kentucky, which appears in the Appendix.]

#### SUPPORT OF CANDIDACY OF SENATOR LUCAS—EDITORIAL FROM PEKIN DAILY TIMES

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an editorial entitled "The Thirty-third Senator," by Mc-

Naughton, published in the Pekin Daily Times of Pekin, Ill., of July 27, 1944, which appears in the Appendix.]

#### PRICES PAID BY FARMERS UNDER PRICE CONTROL

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD a memorandum entitled "The Prices Paid by Farmers Under Price Control," which appears in the Appendix.]

#### SACRIFICES BY PARENTS INCIDENT TO THE WAR

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD an article entitled "Father's Day," written by Maj. Frank Miles, and published in the Iowa Legionnaire of June 18, 1944, which appears in the Appendix.]

#### STATEMENT BY HON. ESEQUIEL PADILLA BEFORE THE INTER-AMERICAN DE- FENSE BOARD

[Mr. CHAVEZ asked and obtained leave to have printed in the RECORD the statement made by Hon. Esequiel Padilla, Secretary of Foreign Relations of the Republic of Mexico, before the Inter-American Defense Board on July 11, 1944, which appears in the Appendix.]

#### REPORT BY FRED S. MCCARGAR ON THE SALINAS, CALIF., GUAYULE RUBBER PROJECT

[Mr. O'DANIEL asked and obtained leave to have printed in the RECORD a report on the Salinas, Calif., guayule rubber project prepared by Fred S. McCargar, secretary, Salinas Chamber of Commerce, in cooperation with Lt. W. A. Borkhuis, special service officer of the Salinas Army Air Base, which appears in the Appendix.]

#### REPUBLICAN PLATFORM, 1944

[Mr. TAFT asked and obtained leave to have printed in the RECORD the platform adopted by the Republican National Convention on June 27, 1944, in Chicago, Ill., which appears in the Appendix.]

#### ACCEPTANCE SPEECH BY GOV. THOMAS E. DEWEY

[Mr. TAFT asked and obtained leave to have printed in the RECORD the acceptance speech of Gov. Thomas E. Dewey delivered to the Republican National Convention at Chicago on June 28, 1944, which appears in the Appendix.]

#### AMENDMENT OF SOCIAL SECURITY ACT— UNEMPLOYMENT COMPENSATION

MR. GEORGE. Mr. President, as chairman of the Special Committee on Post-war Economic Policy and Planning, I wish to say that a report was submitted to the Senate on June 23 dealing with unemployment compensation and the various State unemployment compensation systems. The report recommended that the unemployment compensation law be amended, first, to provide for payments to Federal workers through the State unemployment agencies and under the State laws; and second, to guarantee the solvency of State unemployment compensation funds through the setting up of a revolving loan fund to make loans to the States at any time the compensation reserves of the States prove to be inadequate.

The report likewise recommended the broadening of the unemployment compensation system so as to provide for the imposition of unemployment taxes on employers of maritime workers and employers of one or more employees. At

the present time the State systems generally cover employers of eight or more employees.

The committee report suggested that the State systems might be liberalized, and also directly called attention to the fact that the broadening of coverage so as to take in employers of one or more individuals and so as to take in the private employers of maritime workers was a matter which peculiarly affected revenues, and that the House of Representatives had the initiatory jurisdiction so far as those recommendations are concerned.

Mr. President, I am now offering a bill, which I ask be referred to the Finance Committee, amending the Social Security Act in accordance with the recommendations of the committee, so far as the Senate may have original jurisdiction to offer amendments to that act.

**THE VICE PRESIDENT.** Without objection, the bill will be referred as requested by the Senator from Georgia.

The bill (S. 2051) to amend the Social Security Act, as amended, was read twice by its title and referred to the Committee on Finance.

**Mr. VANDENBERG.** Mr. President, will the Senator yield?

**Mr. GEORGE.** I yield.

**Mr. VANDENBERG.** The Senator neglected to say so in so many words, but is it not correct that the bill which he has just introduced, and the report to which he has called attention, leave with the States entire jurisdiction over standards of compensation?

**Mr. GEORGE.** That is true. The bill does not undertake to deal with the State standards, but it does bring under the State unemployment-compensation system all Federal workers, such as workers in arsenals and shipyards, where the relationship of employer and employee exists between the Federal Government and the worker. It does not, of course, include or cover the maritime workers who are working for private shipping interests. It does include maritime workers who are engaged or employed by the Federal Government.

#### THE LEGISLATIVE PROGRAM

**Mr. BARKLEY.** Mr. President, in connection with the bill introduced by the Senator from Georgia, I think it appropriate that I make a brief statement with reference to the legislative situation which confronts us now that the Congress has reassembled. Prior to the recess the Post-war Economic Policy and Planning Committee, of which the Senator from Georgia [Mr. GEORGE] is chairman, had spent many months in hearings and in executive consideration of proposed legislation dealing with the post-war situation. As a result, in part of that activity on the part of the committee, legislation was enacted prior to the recess dealing with the cancellation of contracts. That legislation is now on the statute books.

The subject of reconversion of war plants and the demobilization of war workers, and men and women in the armed services, was given long and careful consideration, and a bill was prepared and introduced under the authorship and sponsorship of the Senator

from Georgia [Mr. GEORGE] and the Senator from Montana [Mr. MURRAY], and referred to the Committee on Military Affairs.

The Senator from West Virginia [Mr. KILGORE] also introduced a measure dealing with the same subject. That bill is also pending in the Committee on Military Affairs.

The George committee also held exhaustive hearings on the subject of surplus property disposition, including not only materials which will be left on the hands of the Government, but the plants in which the Government of the United States has invested some twenty billion dollars of the money paid into the Treasury by the taxpayers.

It had been thought, and is believed, notwithstanding the impossibility of foreseeing the date on which the war will be concluded, that it is absolutely essential that legislation providing for orderly disposition of surplus property should be enacted at the earliest possible date, and that legislation concerning the reconversion of all war plants and war industries to a peace basis is something which cannot be postponed until the war is concluded. And certainly Congress cannot delay until then, or delay much longer, legislation dealing with the demobilization of the 11,000,000 or 12,000,000 men in the armed services, and the many other millions who are engaged in war work who have moved from one place to another in order to carry out the war program.

I think there is no more foolish or unprofitable enterprise in which any man of responsibility can engage than that of predicting when the war will end. Much harm has already resulted from unwise predictions and unjustified optimism on the part of many of our people, because of the belief that the war is almost over. According to the Gallup poll last March, 33 percent of the American people then believed that the war in Europe would end this year. Three or four weeks ago the Gallup poll showed that 59 percent of the American people at that time believed that the war in Europe would end this year.

As a result of that optimism many persons engaged in what they know to be temporary work in war plants, taking time by the forelock, have sought employment in what they regard as more permanent work, in an effort to get in on the ground floor with jobs before the war shall end. That is a perfectly natural human instinct and desire on the part of men who have the responsibility of supporting their families. But the result has been a slackening of the war effort in the United States. It has been necessary to hold public meetings to stimulate the production of the necessary war materials. Many of our people do not appreciate the fact that greater production is required now than at any other time since we entered the war, because more of our material is being destroyed on the battlefields all over the world. Inasmuch as that is true, and will be increasingly true until the war shall end, it is necessary that we keep up the peak of our production of all the essential

things which will be needed until the last shot shall have been fired.

That being true, it seems to me unprofitable and unwise for any of us to be predicting when the war will end, because none of us knows. It would be even more foolish and more unwise for us to wait until the war ends before preparing for the end. We know that we cannot permit this country to be as unprepared for peace as it has always been for war in its entire history, beginning even with the Revolution. Democracies are never ready for war at the drop of a hat. If they were, they would not be democracies. They would be the same kind of autocracies of which we are trying to rid the world.

We had experience at the end of the last war in the disposition of surplus property and, in a smaller sense, in the reconversion of industry, but on nothing like the gigantic scale of the problem which we face today.

So, regardless of when or where the war will end, Congress has the obligation, in behalf of industry and in behalf of millions of our men and women who must be demobilized when the time comes, to put our house in order for that transition period when it shall come.

Several bills are now pending before the Committee on Military Affairs. The Senator from Georgia [Mr. GEORGE], as chairman of his committee, has today introduced a bill dealing with unemployment compensation, which is in the nature of an amendment to the Social Security Act. That bill must go to the Finance Committee. When Congress adjourned on the 23d day of June there was a good deal of speculation as to whether, when we came back today, we should take a further recess or adjournment, or whether we should have what is frequently termed a "gentleman's agreement," for 3-day recesses during August.

I feel it my duty to say, in the position which I occupy, that, so far as any general recess during August is concerned, it would be totally unjustified. Under the present conditions, there would be no excuse whatever for Congress to take a recess at this time. There is no urgent legislation pending on the calendar; but, having in mind the obligation of the Congress, and the primary obligation now of the Committee on Military Affairs to report to the Senate legislation dealing with the problems which I have mentioned, yesterday the Senator from North Carolina [Mr. REYNOLDS], chairman of that committee, and I, as the majority leader, sent a joint telegram to all members of the Committee on Military Affairs, Democrats and Republicans alike, urging them to return to Washington at once in order that they might deal with this proposed legislation. It is so important in its terms and in its far-reaching effect upon the economic life of this Nation that it ought to be considered by the full committee. It ought not to be acted upon by less than a majority. If possible the entire membership of the committee should be present. So, with that thought in mind, the Senator from North



Carolina and I sent a joint telegram urging members of that committee to return, and fixing 10 o'clock on Thursday morning of this week as the time for a meeting of that committee. It is the hope of the Senator from North Carolina and myself—and I am sure of the entire Senate—that not only a bare majority of that committee will be present on Thursday, but that, as nearly as possible, the full membership of the committee will be present, because the Senate cannot deal with this problem until the committee reports, and it may be necessary, for a few days, for us to mark time by taking 3-day recesses until the committee acts.

Mr. VANDENBERG. Mr. President, will the Senator yield for a question?

Mr. BARKLEY. I yield.

Mr. VANDENBERG. The Senator is one of those who, with me, made a commitment in June that the next action in respect to reconversion should include what is called the human element.

Mr. BARKLEY. We made that commitment before June. We had made it back in April, as I recall.

Mr. VANDENBERG. That is correct.

Mr. BARKLEY. But we were not able to perfect the legislation as soon as we thought, and that demand was reemphasized in June, and is still valid.

Mr. VANDENBERG. That is correct. The bill introduced by the Senator from Georgia essentially touches that phase of the matter. I should like to inquire of the Senator from Georgia whether he intends immediately to summon the Senate Finance Committee to deal with that proposal. It seems to me that it is equally essential.

Mr. BARKLEY. I yield to the Senator from Georgia.

Mr. GEORGE. Mr. President, I hope that we may have a meeting of the Committee on Finance tomorrow morning, and have a quorum of the committee in attendance. Notices will be sent to members of the committee requesting them to be present tomorrow morning.

Mr. BARKLEY. I thank the Senator from Georgia and the Senator from Michigan.

Mr. President, I think I have covered the importance of this legislation. I realize that this is a campaign year, and that not only do many Senators, very properly, desire to give some attention to the problem of elections in the States, but the people themselves are entitled, because elections must be held, to be informed, not only by Senators, but by their opponents, by the press, the radio, and every other means of communication, of the issues upon which the people must vote in November. However, our primary job, as I see it, is not to be re-elected, important as that may be. Our primary job is to deal with the problems which confront us as they arise, regardless of personal convenience, regardless of the desire for recesses, and regardless of campaigns for reelection. I am sure I express the view of every Member of the Senate when I make that statement. Now that the problem is before us, if we can facilitate the enactment of the necessary legislation, so that we can say,

and conscientiously feel, that we have discharged our duty to the country, to its industry, and to its labor, in connection with all the problems which face us, we can at a later date devote ourselves, as we may have the opportunity, and as the situation may justify, to other things which, in my judgment, are secondary to our duty at this particular time.

Therefore, I hope that the Committee on Military Affairs will hasten as much as possible, consistent with wise deliberation and good legislation, to report the bills now before it in such form as the committee may see fit; that the Committee on Finance will do likewise in regard to the legislation which is within its jurisdiction; and that immediately upon a report from either of those committees upon any phase of this legislation, Members of the Senate will be in attendance, ready and anxious to perform their duty in disposing of the legislation itself.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. AUSTIN. In the absence of the Chairman of the Committee on Military Affairs [Mr. REYNOLDS], who has temporarily left the Chamber, I wish to say that I had a conference with him with regard to the hearing on Thursday on bills which are pending in the Military Affairs Committee. We believe that there will be a quorum present. I know of one Senator who is engaged in a hearing before a special committee of the Senate, who cannot possibly be present at the meeting of the committee. Other Senators from whom I have heard find it extremely inconvenient for other reasons to be here on Thursday. Therefore, I would not feel like pressing for a vote this week to report a bill from that committee; for I believe, as the distinguished senior Senator from Kentucky has said, that legislation of this character and importance should be passed upon in person by the Members in attendance in committee, rather than by proxy votes. But I am wholly in favor of starting the procedure on Thursday and advancing it as rapidly as possible, with due regard for the importance of the legislation and the work which it is necessary to do.

It now appears, since the introduction of the bill by the distinguished Senator from Georgia, that a very important part of that proposed legislation might wisely be taken out of the bills pending in the Committee on Military Affairs. That would expedite consideration of the remainder of those two bills and, I think, would tend to improve the type of legislation on the other phases of mobilization and demobilization, a process which has been going on since the war began, and which will continue long after it is over.

A very important aspect of the two bills is the disposal of surplus property and the handling of other matters connected with demobilization and conversion to peacetime. In order to expedite the procedure, I should think it wise for the Committee on Military Affairs, certainly out of respect for the committee which has legal jurisdiction of the subject of

social-security taxation, now to let go of that feature of the bills which are pending before it, and to advance the other features of the bills as wisely and as rapidly as possible.

Mr. BARKLEY. Mr. President, I thank the Senator from Vermont for that contribution. Undoubtedly if the social-security features of the legislation can be handled, as no doubt they can be, by the committee having jurisdiction of that legislation, if it were introduced independently, that should simplify the procedure as to other features of the legislation, so far as reconversion and the disposal of surplus property are concerned.

I think I have said all I need to say about the matter.

Mr. WHITE. Mr. President, except with respect to what the senior Senator from Kentucky [Mr. BARKLEY] has said about prophesying as to the end of the war—and I make no comment on that—I commend his statement without reservation. I think the recess which has just come to an end has been wholly justified in the light of the terms on which it was agreed upon. Much has been accomplished, not legislative in character, but in furtherance of our constitutional processes throughout the country during the intervening weeks; and I think because of these considerations alone, the recess has been wholly justified.

We now return to the Capitol with events somewhat more favorable to us than they were when the recess was taken on the 23d of June. I am speaking of the war effort. We now can look ahead, although not with certainty or with assurance as to any particular date when the struggle will end, and can see in the not too distant future the end of the war in Europe. As the Senator from Kentucky has said, I think that fact emphasizes the necessity of turning our thoughts to the matter of putting this country in order for the changes which are to come. The Senator should be commended for joining in the notice to the members of the Committee on Military Affairs to return. I am glad that legislation is to be taken up by the Finance Committee under the leadership of the distinguished Senator from Georgia [Mr. GEORGE]. Those two committees hold the immediate responsibility, but back of their responsibility there is a responsibility which rests upon every Member of the Senate. There is the responsibility to ourselves as Senators of the United States to be here and give of our time and our thought and our energies as best we can, to the solution of the problems confronting not only these United States but the whole world. We owe a definite obligation to this country itself.

I hope that from these two committees there may speedily come wise recommendations upon which the Senate as a whole may act. I am warranted in giving assurances that those upon the minority side of the aisle will contribute cooperatively as best they can to the working out of these legislative problems and to the enactment of sound legislation. I especially appreciate the comments made by the Senator from Kentucky [Mr. BARKLEY] with respect to the situation now confronting us.

Mr. CONNALLY. Mr. President, I heartily concur with the plans of the majority leader and of other Senators, so far as taking up the proposed legislation at an early date is concerned. I merely wish to sound a little note of warning, however, that the idea must not go forth to the country that because we are enacting legislation of this character the war is over. It is not. We should not suffer any relaxation of the war effort in our hurry to demobilize and to reconvert our so-called war installations and machinery. I am sure no Senator entertains that view, but I am merely fearful that in the country there might be those who would regard the action of the Congress as indicating that the struggle is about over and that we may relax. Of course, I think that with these serious matters before the country and with the posture of world affairs such as it is, Congress should give to the public business whatever attention is necessary to be given. I think the country rather expects us to remain in session, and certainly it does have that expectation when the urgency of the measures which are proposed is considered.

So, Mr. President, I hope the people of the country will not draw any false conclusions or labor under any illusions that the present struggle has already been practically brought to an end. We still face strong forces both in Europe and in Asia. In the one the struggle will perhaps take much longer than we now anticipate. In the other it may be brought to a conclusion more quickly than we have anticipated. But in any event we must remain in an aggressive posture. We must be prepared to devote every possible resource to the vigorous prosecution of the war, because the harder we fight the quicker the end of the war will come.

So, Mr. President, I hope the country will not draw any improper conclusions.

Mr. VANDENBERG. Mr. President, the soundness of the remarks which the able senior Senator from Texas [Mr. CONNALLY] has just made, supplementing the remarks made by the distinguished majority leader in presenting the same thought, both relating to the necessity of maintaining the war tempo, is of course incontestable. That is the grim fact which cannot be avoided. The things they have said were personalized somewhat by the distinguished majority leader of the House earlier in the week. He greeted a statement I made regarding the necessity for early congressional action with respect to reconversion, with this observation:

I am amazed at Senator VANDENBERG's forecast of an early German collapse. This is not the time for responsible political leaders to build up an expectation of an early return to the ways of peace.

Of course, Mr. President, I said nothing of the sort. I did say that the chances for an early German collapse are sufficiently encouraging to make it urgent for Congress to attend to its business. I am sure the distinguished senior Senator from Kentucky [Mr. BARKLEY] and the distinguished senior Senator from Texas [Mr. CONNALLY] will agree

that it is not necessary for the Senate to loiter on its job in order to prevent a misunderstanding among the American people respecting the chances for peace.

The news from abroad is more encouraging. Thank God, it is more encouraging. However, the news from abroad in no sense justifies the slightest let-up in any phase or form of the aggressive war effort, and nothing I have said could be reasonably interpreted in any such fashion.

On the other hand, while there is no loitering abroad, there should be no loitering at home, because there is a responsibility on the home front which in days to come is going to be no less formidable than the responsibility on the battle front.

I am one of those who have affirmatively asserted their belief that Congress should proceed with this task. I want most earnestly to express my appreciation of the attitude of the majority leader in the same respect. None of us has any patent upon this good purpose, but we unitedly have a function to serve. I think the sooner we serve it the better off the country will be.

Mr. President, many Senators who are absent are not members of the Finance Committee or the Military Affairs Committee. They will be asking for instructions. Would it be fair to say to absent Senators who are not members of those committees that we will give them 2 or 3 days' notice before active attention is given to the proposed legislation?

Mr. BARKLEY. I believe so. I think that would be only fair, having in mind, of course, the futility of bringing them back before any legislation is ready to be acted upon. I will assume the responsibility, in cooperation with the minority leader, of giving absent Senators 2 or 3 days' notice as soon as we know approximately when the legislation will be ready.

Mr. VANDENBERG. I thank the Senator.

#### EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

#### RECESS TO THURSDAY

Mr. BARKLEY. Mr. President, if there be nothing further to come before the Senate, I move that the Senate take a recess until Thursday next at 12 o'clock noon.

The motion was agreed to; and (at 12 o'clock and 50 minutes p. m.) the Senate took a recess until Thursday, August 3, 1944, at 12 o'clock meridian.

#### NOMINATIONS

Executive nominations received by the Senate, August 1, 1944:

##### DIPLOMATIC AND FOREIGN SERVICE

Earl T. Crain, of Illinois, now a Foreign Service officer of class 7 and a secretary in the

Diplomatic Service, to be also a consul of the United States of America.

##### FEDERAL BOARD FOR VOCATIONAL EDUCATION

Robert J. Watt, of Massachusetts, to be a member of the Federal Board for Vocational Education for a 3-year term ending July 17, 1947.

##### DIRECTOR OF CONTRACT SETTLEMENT

Robert H. Hinckley, of Utah, to be Director of Contract Settlement for a term of 2 years.

##### SELECTIVE SERVICE SYSTEM

Lt. Col. Frank J. Killilea for appointment as State procurement officer of Selective Service for Alaska under the provisions of section 10 (a) (3) of the Selective Training and Service Act of 1940, as amended.

Compensation for this office will exceed \$5,000 per annum and will be in accordance with the rates prescribed for officers of his rank and length of service in the Army pay tables.

##### UNITED STATES PUBLIC HEALTH SERVICE

Warren F. Draper, assistant to the Surgeon General, United States Public Health Service, for promotion to the grade of major general, effective July 1, 1944.

The following named officers for promotion in the Regular Corps of the United States Public Health Service:

##### PASSED ASSISTANT SURGEONS TO BE TEMPORARY SURGEONS EFFECTIVE AUGUST 1, 1944

Murray A. Diamond	Weldon A. Williamson
Harald M. Graning	Robert D. Wright
Nobel W. Guthrie	Robert L. Zobel
Karl Habel	Carl Enna
Robert T. Hewitt	William A. Miller
Max R. Kiesselsbach	William D. King
Frank L. Price	

Marion B. Richmond, assistant surgeon, to be temporary passed assistant surgeon effective August 1, 1944.

##### ASSISTANT SURGEONS TO BE PASSED ASSISTANT SURGEONS EFFECTIVE DATES INDICATED

Charles L. Williams, Jr., July 1, 1944.  
 James H. Hundley, July 1, 1944.  
 Charles C. Shepard, July 1, 1944.  
 Russell I. Peirce, July 1, 1944.  
 Samuel C. Ingraham, July 7, 1944.  
 Trawick H. Stubbs, July 1, 1944.  
 James L. Beker, July 1, 1944.  
 Robert E. Miller, July 11, 1944.  
 Bruce Cominole, July 1, 1944.  
 Avery B. Wight, July 1, 1944.  
 David E. Price, July 1, 1944.  
 Mayo L. Emory, July 2, 1944.  
 Michael J. Clarke, July 1, 1944.  
 David W. Scott, Jr., July 1, 1944.  
 Richard K. Winston, July 1, 1944.  
 Douglas S. Nisbet, July 1, 1944.  
 Charles W. Parker, July 1, 1944.  
 Linden E. Johnson, July 1, 1944.  
 Timothy J. Haley, July 1, 1944.  
 Wayne W. Carpenter, July 1, 1944.  
 Donald J. Birmingham, July 14, 1944.  
 Edmund J. Schmidt, July 7, 1944.  
 Llewellyn E. Kling, July 1, 1944.  
 Dean B. Jackson, July 1, 1944.

##### SENIOR SURGEONS TO BE TEMPORARY MEDICAL DIRECTORS EFFECTIVE JULY 1, 1944

Joseph F. van Ackeren  
 William W. Nesbit  
 John L. Wilson, surgeon, to be temporary senior surgeon effective July 1, 1944.

##### PASSED ASSISTANT SURGEONS TO BE TEMPORARY SURGEONS EFFECTIVE JULY 1, 1944

Thomas Francis Crahan  
 Thomas Hoyt Diseker  
 Theodore F. Hibbush  
 George Edward Tooley, Jr.  
 Glenn S. Usher  
 Francis John Weber  
 James V. Lowry  
 James W. Hawkins  
 John Belden Vander



# ASSISTANT SURGEONS TO BE TEMPORARY PASSED ASSISTANT SURGEONS, EFFECTIVE JULY 1, 1944

Edward T. Blomquist Elmer L. Hill  
James F. Maddux Carl R. Kunstling  
Bertrand E. Bennison David Sieger Ruhe  
Roy A. Darke George A. Shipman  
Robert M. Foote Chester M. Sidell  
Eugene J. Gillespie Otis Wayne Yeager  
Arthur B. Cravatt, Jr.

John A. Hammer, dental surgeon, to be temporary senior dental surgeon, effective July 1, 1944.

Dennis E. Singleton, Jr., assistant dental surgeon, to be temporary passed assistant dental surgeon effective August 1, 1944.

## TEMPORARY APPOINTMENT IN THE ARMY OF THE UNITED STATES

### TO BE GENERAL

Lt. Gen. Joseph Warren Stilwell (major general, United States Army), Army of the United States.

### TO BE MAJOR GENERALS

Brig. Gen. Robert Tryon Frederick (captain, Coast Artillery Corps), Army of the United States.

Brig. Gen. Jens Anderson Doe (colonel, Infantry), Army of the United States.

### TO BE BRIGADIER GENERALS

Col. Gerald Joseph Higgins (captain, Infantry), Army of the United States.

Col. Maurice Wiley Daniel (lieutenant colonel, Field Artillery), Army of the United States.

Col. James Alward Van Fleet, Infantry.

Col. George Arthur Taylor (major, Infantry), Army of the United States.

Col. Charles Draper William Canham (major, Infantry), Army of the United States.

Col. Hugh French Thomason Hoffman (lieutenant colonel, Cavalry), Army of the United States.

Col. John Huston Church (lieutenant colonel, Infantry), Army of the United States.

## HOUSE OF REPRESENTATIVES

TUESDAY, AUGUST 1, 1944

Pursuant to Senate Concurrent Resolution 46, the House met at 12 o'clock noon, and was called to order by the Speaker.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou who art worthy of all adoration, grant that these Thy servants may be united in one solemn and lofty aspiration to know and do Thy will as they again convene to address themselves to difficult tasks and heavy responsibilities.

We pray that in the turmoil and tragedy of these days we may keep inviolate our trust in Thee and respond more eagerly to the leading of Thy spirit and the pulsations of the higher life. Help us to be victorious over the pressure of those influences that tend to blur our sense of honor and tempt us to break faith with our nobler self.

We thank Thee for the heritage of freedom bequeathed unto us by those who have given themselves so sacrificially. Day by day there are many whose physical presence is taken away from us but whose spiritual comradeship abides. In

the memory of their faith and fidelity we find our inspiration to carry on the struggle to build a better world.

Hear our prayers for Christ's sake. Amen.

The Journal of the proceedings of Friday, June 23, 1944, was read and approved.

## ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED AFTER ADJOURNMENT

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 248. An act for the relief of Louis Courcil;

H. R. 340. An act to authorize the Legislature of the Territory of Alaska to grant and convey certain lands to the city of Sitka, Alaska, for street purposes;

H. R. 544. An act for the relief of Rev. C. M. McKay;

H. R. 634. An act to provide for the advancement of Rear Admiral Emory S. Land, Construction Corps, United States Navy, retired, to the rank of vice admiral;

H. R. 702. An act to permit the prepayment of the purchase price of certain housing sold to individuals by the Resettlement Administration or the Farm Security Administration, and for other purposes;

H. R. 905. An act to release all the right, title, and interest of the United States in certain land constituting a portion of the tract of land conditionally granted to the county of Los Angeles, State of California, under the act of March 24, 1933, as amended;

H. R. 1045. An act for the relief of Mrs. R. D. Robinson;

H. R. 1046. An act for the relief of David B. Turpel;

H. R. 1313. An act for the relief of Delores Lewis;

H. R. 1411. An act for the relief of Eddie T. Stewart;

H. R. 1412. An act for the relief of Mildred B. Hampton;

H. R. 1497. An act for the relief of the estate of J. T. Taubee, deceased, and Mrs. Bertie Lella Parker;

H. R. 1668. An act for the relief of Lessie C. Selman;

H. R. 1675. An act to amend section 9 of the Pay and Readjustment Act of 1942 (Public Law 607) by providing for the computation of double-time credits awarded between 1898 and 1912 in determining retired pay;

H. R. 1682. An act for the relief of Edwin H. Taylor;

H. R. 1737. An act for the relief of the Saunders Memorial Hospital;

H. R. 1755. An act for the relief of Broadus D. Boland and W. E. Boland;

H. R. 2006. An act for the relief of Mrs. Hagar Simpson and Mrs. Nat Price, Jr.;

H. R. 2151. An act for the relief of Elizabeth Powers Long;

H. R. 2288. An act for the relief of Donald J. Munson;

H. R. 2333. An act for the relief of Mrs. Samuel M. McLaughlin;

H. R. 2405. An act for the relief of Clarence P. Hale, Jr.;

H. R. 2469. An act for the relief of Anna Charack;

H. R. 2472. An act for the relief of the estate of Gertrude Mullins;

H. R. 2511. An act for the relief of P. Audley Whaley;

H. R. 2530. An act for the relief of John M. O'Connell;

H. R. 2605. An act for the relief of Charles W. Kirby;

H. R. 2625. An act for the relief of Edward E. Held and Mary Jane Held;

H. R. 2769. An act for the relief of Mrs. Lillian W. Timmerman, mother of Ann Timmerman, a minor, deceased;

H. R. 2788. An act for the relief of Frank Baptiste;

H. R. 2916. An act for the relief of Mrs. Winnie Singleton, as administratrix of the estate of Gaylord W. Singleton, deceased.

H. R. 2965. An act for the relief of Ross Engineering Co.;

H. R. 3098. An act for the relief of Dr. H. H. Smith;

H. R. 3126. An act for the relief of Mary Ellen Frakes, widow of Joseph A. Frakes;

H. R. 3137. An act for the relief of Ruth L. Clapp;

H. R. 3241. An act to implement the jurisdiction of service courts of friendly foreign forces within the United States, and for other purposes;

H. R. 3280. An act for the relief of William Dyer;

H. R. 3281. An act for the relief of the estate of Nelson Hawkins;

H. R. 3301. An act for the relief of the legal guardian of Edward Polak, a minor;

H. R. 3306. An act to authorize the conveyance of Harrison Park in the city of Vincennes to Vincennes University;

H. R. 3324. An act for the relief of the Postal Telegraph-Cable Co.;

H. R. 3390. An act for the relief of Mavis Norrine Cothron and the legal guardian of Norma Lee Cothron, Florence Janet Cothron, and Nina Faye Cothron;

H. R. 3481. An act for the relief of J. William Ingram;

H. R. 3524. An act to provide for the establishment of the Harpers Ferry National Monument;

H. R. 3538. An act for the relief of the Reverend James T. Denigan;

H. R. 3539. An act for the relief of the estate of Carlos Perez Aviles;

H. R. 3586. An act for the relief of Mrs. John Andrew Godwin;

H. R. 3596. An act conferring jurisdiction upon the Court of Claims of the United States to consider and render judgment on the claim of the Zephyr Aircraft Corporation against the United States.

H. R. 3604. An act authorizing the appointment of the Chief of Chaplains to the temporary rank of major general, and for other purposes;

H. R. 3636. An act for the relief of Josephine Guidoni;

H. R. 3646. An act to amend section 42 of title 7 of the Canal Zone Code;

H. R. 3649. An act for the relief of Mae Ekvall;

H. R. 3654. An act for the relief of Byron Ennis;

H. R. 3674. An act for the relief of William E. Widby;

H. R. 3724. An act for the relief of Mr. and Mrs. Howard C. Bantin;

H. R. 3737. An act for the relief of M. H. Harris;

H. R. 3739. An act for the relief of the Wesix Electric Heater Co.;

H. R. 3859. An act for the relief of E. Bird Giles and Sherman Beck;

H. R. 3870. An act to amend section 214 of the act of February 28, 1925;

H. R. 3976. An act for the relief of Charles L. Kee;

H. R. 3977. An act for the relief of Harry Schultz;

H. R. 4033. An act relating to the use of the penalty mail privilege;

H. R. 4041. An act to amend the act relating to the construction and maintenance of a bridge across the Missouri River at or near Nebraska City, Nebr.;

H. R. 4074. An act for the relief of the estate of William Sandlass;

H. R. 4095. An act confirming the claim of the heirs of Monroe Johnson, deceased, to certain lands in the State of Mississippi, county of Adams;

H. R. 4102. An act to extend for 1 additional year the reduced rate of interest on Land Bank Commissioner loans;

H. R. 4103. An act to provide for loss of United States nationality under certain circumstances;

H. R. 4197. An act for the relief of Mr. and Mrs. John Cushman;

H. R. 4215. An act to extend to the custodial-service employees of the Post Office Department certain benefits applicable to postal employees;

H. R. 4348. An act to amend the act approved August 18, 1942, entitled "An act to facilitate the disposition of prizes captured by the United States during the present war, and for other purposes";

H. R. 4361. An act for the relief of Arch A. Brown;

H. R. 4405. An act to amend the act approved March 7, 1942 (56 Stat. 143), as amended (56 Stat. 1092; 50 App. U. S. C., Supp. III, 1001-1017, inclusive), so as to more specifically provide for pay, allotments, and administration pertaining to war casualties, and for other purposes;

H. R. 4443. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 4458. An act for the relief of J. G. Power and L. D. Power;

H. R. 4466. An act to amend section 18 of the Pay Readjustment Act of 1942 to provide additional pay for personnel who are required to participate in regular and frequent glider flights;

H. R. 4517. An act to remove restrictions on establishing post-office branches and stations;

H. R. 4528. An act for the relief of L. M. Feller Co., and Wendell C. Graus;

H. R. 4623. An act to authorize the use of space in the old post-office building in Portland, Oreg., by the State of Oregon for its use as a museum for relics from the battleship Oregon, together with all other historical documents, objects, and relics of Oregon and the old Oregon country held by the State for public display;

H. R. 4624. An act to consolidate and revise the laws relating to the Public Health Service, and for other purposes;

H. R. 4687. An act relating to issuance of postal notes;

H. R. 4707. An act for the relief of J. Fletcher Lankton and John N. Ziegele;

H. R. 4728. An act to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended;

H. R. 4733. An act to amend section 514 of the Soldiers' and Sailors' Relief Act;

H. R. 4803. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Memphis, Tenn.;

H. R. 4810. An act to extend the provisions of the Selective Training and Service Act of 1940, as amended, to the Virgin Islands;

H. R. 4825. An act to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Des Moines, Iowa, September 10 to 14, inclusive, 1944;

H. R. 4861. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 4879. An act making appropriations for war agencies for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 4881. An act to amend the Internal Revenue Code, the Narcotic Drugs Import and Export Act, as amended, and the Tariff Act of 1930, as amended, to classify a new synthetic drug, and for other purposes;

H. R. 4899. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 4935. An act to provide for a study of multiple taxation of air commerce, and for other purposes;

H. R. 4937. An act making appropriations for defense aid (lend-lease), for the participation by the United States in the work of the United Nations Relief and Rehabilitation Administration, and for the Foreign Economic Administration, for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 4967. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 5040. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1944, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1944, and June 30, 1945, and for other purposes;

H. J. Res. 138. Joint resolution granting the consent of Congress to an agreement between the State of New York and the State of Rhode Island and Providence Plantations concerning the settlement of the boundary line between said States;

H. J. Res. 227. Joint resolution extending the period for the acquisition by the Railroad Retirement Board of data needed in carrying out the provisions of the Railroad Retirement Acts; and

H. J. Res. 241. Joint resolution requesting the President to urge upon the governments of those countries where the cultivation of the poppy plant exists the necessity of immediately limiting the production of opium to the amount required for strictly medicinal and scientific purposes.

The SPEAKER also announced his signature to enrolled bills of the Senate of the following titles:

S. 784. An act to amend that part of the act of June 24, 1910 (36 Stat. 619), relating to disposition of profits from sales of ships' stores;

S. 1173. An act to provide for staying judicial proceedings against the United States, in time of war, on claims for damages caused by vessels of the Navy, or for towage or salvage service to such vessels, when the Secretary of the Navy certifies that the prosecution of such proceedings would endanger the security of naval operations or interfere therewith, and to authorize the settlement and payment of such claims, and for other purposes;

S. 1432. An act to extend the Civilian Pilot Training Act of 1939;

S. 1894. An act to provide for the transportation to their homes of persons discharged from the naval service because of under age at time of enlistment;

S. 1947. An act to amend the National Housing Act, as amended; and

S. 1973. An act to provide additional pay for enlisted men of the Army assigned to the Infantry who are awarded the expert infantryman badge or the combat infantryman badge.

#### BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT AFTER ADJOURNMENT

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee did on June 26, 1944, present to

the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 248. An act for the relief of Louis Courcil;

H. R. 340. An act to authorize the Legislature of the Territory of Alaska to grant and convey certain lands to the city of Sitka, Alaska, for street purposes;

H. R. 544. An act for the relief of Rev. C. M. McKay;

H. R. 634. An act to provide for the advancement of Rear Admiral Emory S. Land, Construction Corps, United States Navy, Retired, to the rank of vice admiral;

H. R. 702. An act to permit the prepayment of the purchase price of certain housing sold to individuals by the Resettlement Administration or the Farm Security Administration, and for other purposes;

H. R. 905. An act to release all the right, title, and interest of the United States in certain land constituting a portion of the tract of land conditionally granted to the county of Los Angeles, State of California, under the act of March 24, 1933, as amended;

H. R. 1045. An act for the relief of Mrs. R. D. Robinson;

H. R. 1046. An act for the relief of David B. Turpel;

H. R. 1313. An act for the relief of Delores Lewis;

H. R. 1411. An act for the relief of Eddie T. Stewart;

H. R. 1412. An act for the relief of Mildred B. Hampton;

H. R. 1497. An act for the relief of the estate of J. T. Taubee, deceased, and Mrs. Bertie Leila Parker;

H. R. 1668. An act for the relief of Lessie C. Selman;

H. R. 1675. An act to amend section 9 of the Pay and Readjustment Act of 1942 (Public Law 607) by providing for the computation of double-time credits awarded between 1893 and 1912 in determining retired pay;

H. R. 1682. An act for the relief of Edwin H. Taylor;

H. R. 1737. An act for the relief of the Saunders Memorial Hospital;

H. R. 1755. An act for the relief of Broadus D. Boland and W. E. Boland;

H. R. 2006. An act for the relief of Mrs. Hagar Simpson and Mrs. Nat Price, Jr.;

H. R. 2151. An act for the relief of Elizabeth Powers Long;

H. R. 2288. An act for the relief of Donald J. Munson;

H. R. 2333. An act for the relief of Samuel M. McLaughlin;

H. R. 2405. An act for the relief of Clarence P. Hale, Jr.;

H. R. 2469. An act for the relief of Anna Charack;

H. R. 2472. An act for the relief of the estate of Gertrude Mullins;

H. R. 2511. An act for the relief of P. Audley Whaley;

H. R. 2530. An act for the relief of John M. O'Connell;

H. R. 2605. An act for the relief of Charles W. Kirby;

H. R. 2625. An act for the relief of Edward E. Held and Mary Jane Held;

H. R. 2769. An act for the relief of Mrs. Lillian W. Timmerman, mother of Ann Timmerman, a minor, deceased;

H. R. 2788. An act for the relief of Frank Baptiste;

H. R. 2916. An act for the relief of Mrs. Winnie Singleton, as administratrix of the estate of Gaylord W. Singleton, deceased;

H. R. 2965. An act for the relief of Ross Engineering Co.;

H. R. 3098. An act for the relief of Doctor H. H. Smith;

H. R. 3126. An act for the relief of Mary Ellen Frakes, widow of Joseph A. Frakes;



H. R. 3137. An act for the relief of Ruth L. Clapp;

H. R. 3241. An act to implement the jurisdiction of service courts of friendly foreign forces within the United States, and for other purposes;

H. R. 3280. An act for the relief of William Dyer;

H. R. 3281. An act for the relief of the estate of Nelson Hawkins;

H. R. 3301. An act for the relief of the legal guardian of Edward Polak, a minor;

H. R. 3306. An act to authorize the conveyance of Harrison Park in the city of Vincennes to Vincennes University;

H. R. 3324. An act for the relief of the Postal Telegraph-Cable Co.;

H. R. 3390. An act for the relief of Mavis Norrine Cothron and the legal guardian of Norma Lee Cothron, Florence Janet Cothron, and Nina Faye Cothron;

H. R. 3481. An act for the relief of J. William Ingram;

H. R. 3524. An act to provide for the establishment of the Harpers Ferry National Monument;

H. R. 3538. An act for the relief of the Reverend James T. Denigan;

H. R. 3539. An act for the relief of the estate of Carlos Peres Aviles;

H. R. 3586. An act for the relief of Mrs. John Andrew Godwin;

H. R. 3596. An act conferring jurisdiction upon the Court of Claims of the United States to consider and render judgment on the claim of the Zephyr Aircraft Corporation against the United States;

H. R. 3604. An act authorizing the appointment of the Chief of Chaplains to the temporary rank of major general, and for other purposes;

H. R. 3636. An act for the relief of Josephine Gu'doni;

H. R. 3646. An act to amend section 42 of title 7 of the Canal Zone Code;

H. R. 3649. An act for the relief of Mae Ekvall;

H. R. 3654. An act for the relief of Byron Ennis;

H. R. 3674. An act for the relief of William E. Widby;

H. R. 3724. An act for the relief of Mr. and Mrs. Howard C. Bantin;

H. R. 3737. An act for the relief of M. H. Harris;

H. R. 3739. An act for the relief of the Wesix Electric Heater Co.;

H. R. 3859. An act for the relief of E. Bird Giles and Sherman Beck;

H. R. 3870. An act to amend section 214 of the act of February 28, 1925;

H. R. 3976. An act for the relief of Charles L. Kee;

H. R. 3977. An act for the relief of Harry Schultz;

H. R. 4033. An act relating to the use of the penalty mail privilege;

H. R. 4041. An act to amend the act relating to the construction and maintenance of a bridge across the Missouri River at or near Nebraska City, Nebr.;

H. R. 4074. An act for the relief of the estate of William Sandlass;

H. R. 4095. An act confirming the claim of the heirs of Monroe Johnson, deceased, to certain lands in the State of Mississippi, county of Adams;

H. R. 4102. An act to extend for 1 additional year the reduced rate of interest on Land Bank Commissioner loans;

H. R. 4103. An act to provide for loss of United States nationality under certain circumstances;

H. R. 4197. An act for the relief of Mr. and Mrs. John Cushman;

H. R. 4215. An act to extend to the custodial-service employees of the Post Office Department certain benefits applicable to postal employees;

H. R. 4348. An act to amend the act approved August 18, 1942, entitled "An act to facilitate the disposition of prizes captured by the United States during the present war, and for other purposes";

H. R. 4361. An act for the relief of Arch A. Brown;

H. R. 4405. An act to amend the act approved March 7, 1942 (56 Stat. 143), as amended (56 Stat. 1092; 50 App. U. S. C., Supp. III, 1001-1017, inclusive), so as to more specifically provide for pay, allotments, and administration pertaining to war casualties, and for other purposes;

H. R. 4443. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 4458. An act for the relief of J. G. Power and L. D. Power;

H. R. 4466. An act to amend section 18 of the Pay Readjustment Act of 1942 to provide additional pay for personnel who are required to participate in regular and frequent glider flights;

H. R. 4517. An act to remove restrictions on establishing post-office branches and stations;

H. R. 4528. An act for the relief of L. M. Feller Co. and Wendell C. Graus;

H. R. 4623. An act to authorize the use of space in the old post-office building in Portland, Oreg., by the State of Oregon for its use as a museum for relics from the battleship *Oregon*, together with all other historical documents, objects, and relics of Oregon and the Old Oregon Country held by the State for public display;

H. R. 4624. An act to consolidate and revise the laws relating to the Public Health Service, and for other purposes.

H. R. 4687. An act relating to issuance of postal notes;

H. R. 4707. An act for the relief of J. Fletcher Lankton and John N. Ziegele.

H. R. 4728. An act to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended;

H. R. 4733. An act to amend section 514 of the Soldiers' and Sailors' Relief Act.

H. R. 4803. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Memphis, Tenn.;

H. R. 4810. An act to extend the provisions of the Selective Training and Service Act of 1940, as amended, to the Virgin Islands.

H. R. 4825. An act to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Des Moines, Iowa, September 10 to 14, inclusive, 1944.

H. R. 4837. An act to extend for an additional 2 years the suspension in part of the processing tax on coconut oil, and to correct a typographical error in the Individual Income Tax Act of 1944;

H. R. 4861. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 4879. An act making appropriations for war agencies for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 4881. An act to amend the Internal Revenue Code, the Narcotic Drugs Import Act, as amended, and the Tariff Act of 1930, as amended, to classify a new synthetic drug, and for other purposes;

H. R. 4899. An act making appropriations for the Department of Labor, Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 4935. An act to provide for a study of multiple taxation of air commerce, and for other purposes;

H. R. 4937. An act making appropriations for defense aid (lend-lease), for the participation by the United States in the work of the United Nations Relief and Rehabilitation Administration, and for the Foreign Economic Administration, for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 4967. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1945, and for other purposes.

H. R. 5040. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1944, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1944, and June 30, 1945, and for other purposes.

H. J. Res. 138. Joint resolution granting the consent of Congress to an agreement between the State of New York and the State of Rhode Island and Providence Plantations concerning the settlement of the boundary line between said States;

H. J. Res. 227. Joint resolution extending the period for the acquisition by the Railroad Retirement Board of data needed in carrying out the provisions of the Railroad Retirement Acts; and

H. J. Res. 241. Joint resolution requesting the President to urge upon the governments of those countries where the cultivation of the poppy plant exists the necessity of immediately limiting the production of opium to the amount required for strictly medicinal and scientific purposes.

#### APPROVAL OF HOUSE BILLS AND JOINT RESOLUTIONS AFTER ADJOURNMENT

The President has approved bills and joint resolutions of the following numbers and titles:

On June 12, 1944:

H. R. 2928. An act to amend the act entitled "An act to fix the hours of duty of postal employees, and for other purposes," approved August 14, 1935, as amended.

On June 14, 1944:

H. J. Res. 242. Joint resolution to amend an act entitled "An act to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a minimum wage board, and define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes," approved September 19, 1918, as amended; and

H. R. 3236. An act to provide aid to dependent children in the District of Columbia.

On June 17, 1944:

H. R. 4771. An act to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves;

H. J. Res. 286. Joint resolution providing for operation of naval petroleum and oil-shale reserves; and

H. R. 3476. An act to approve a contract negotiated with the Klamath drainage district and to authorize its execution, and for other purposes.

On June 20, 1944:

H. R. 2711. An act for the relief of Mrs. Mildred Maag; and

H. R. 4833. An act to extend, for 2 additional years, the provisions of the Sugar Act of 1937, as amended, and the taxes with respect to sugar.

On June 22, 1944:

H. J. Res. 298. Joint resolution making appropriations for grants to States under the Social Security Act; and

H. R. 4559. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1945, and additional appropriations therefor for the fiscal year 1944, and for other purposes.

On June 26, 1944:

H. R. 272. An act for the relief of Mrs. Vola Stroud Pokluda, Jesse M. Knowles, and the estate of Lee Stroud;

H. R. 1220. An act for the relief of the legal guardian of Paul M. Campbell, a minor.

H. R. 1475. An act to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended;

H. R. 2303. An act for the relief of O. W. James;

H. R. 3102. An act for the relief of Mrs. Eva M. Dellsle;

H. R. 4183. An act making appropriations for the fiscal year ending June 30, 1945, for civil functions administered by the War Department, and for other purposes;

H. R. 4320. An act relating to the computation of interest on contributions to the civil service retirement fund returned to employees upon their separation from the service;

H. R. 4414. An act making appropriations for the legislative branch and for the judiciary for the fiscal year ending June 30, 1945, and for other purposes; and

H. R. 4659. An act to authorize the Soil Conservation Service to lend certain equipment.

On June 27, 1944:

H. R. 3661. An act for the relief of G. F. Allen, chief disbursing officer, Treasury Department, and for other purposes;

H. R. 4070. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes; and

H. R. 4115. An act to give honorably discharged veterans, their widows, and the wives of disabled veterans, who themselves are not qualified, preference in employment where Federal funds are disbursed.

On June 28, 1944:

H. R. 340. An act to authorize the Legislature of the Territory of Alaska to grant and convey certain lands to the city of Sitka, Alaska, for street purposes;

H. R. 544. An act for the relief of Rev. C. M. McKay;

H. R. 1046. An act for the relief of David B. Turpel;

H. R. 1313. An act for the relief of Delores Lewis;

H. R. 2151. An act for the relief of Elizabeth Powers Long;

H. R. 2511. An act for the relief of P. Audley Whaley;

H. R. 2530. An act for the relief of John M. O'Connell;

H. R. 2769. An act for the relief of Mrs. Lillian W. Timmerman, mother of Ann Timmerman, a minor, deceased;

H. R. 2855. An act for the relief of the estate of John Buby;

H. R. 3098. An act for the relief of Dr. H. H. Smith;

H. R. 3301. An act for the relief of the legal guardian of Edward Polak, a minor;

H. R. 3586. An act for the relief of Mrs. John Andrew Godwin;

H. R. 3604. An act authorizing the appointment of the chief of chaplains to the temporary rank of major general, and for other purposes;

H. R. 3724. An act for the relief of Mr. and Mrs. Howard C. Bantin;

H. R. 3737. An act for the relief of M. H. Harris;

H. R. 3870. An act to amend section 214 of the act of February 28, 1925;

H. R. 4033. An act relating to the use of the penalty mail privilege;

H. R. 4204. An act making appropriations for the Departments of State, Justice, and Commerce, for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 4292. An act to amend section 12 (b) of the act of May 29, 1930, as amended;

H. R. 4443. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 4517. An act to remove restrictions on establishing post-office branches and stations;

H. R. 4679. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 4687. An act relating to issuance of postal notes;

H. R. 4861. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 4879. An act making appropriations for war agencies for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 4899. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1945, and for other purposes;

H. R. 4967. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1945, and for other purposes; and

H. R. 5040. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1944, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1944, and June 30, 1945, and for other purposes.

H. J. Res. 227. Joint resolution extending the period for the acquisition by the Railroad Retirement Board of data needed in carrying out the provisions of the railroad retirement acts;

On June 30, 1944:

H. R. 248. An act for the relief of Louis Courcil.

H. R. 1045. An act for the relief of Mrs. R. D. Robinson;

H. R. 1411. An act for the relief of Eddie T. Stewart;

H. R. 1412. An act for the relief of Mildred B. Hampton;

H. R. 1497. An act for the relief of the estate of J. T. Taulbee, deceased, and Mrs. Bertie Leila Parker;

H. R. 1735. An act for the relief of Broadus D. Boland and W. E. Boland;

H. R. 2006. An act for the relief of Mrs. Hagar Simpson and Mrs. Nat Price, Jr.;

H. R. 2333. An act for the relief of Mrs. Samuel M. McLaughlin;

H. R. 2405. An act for the relief of Clarence P. Hale, Jr.;

H. R. 2472. An act for the relief of the estate of Gertrude Mullins;

H. R. 2625. An act for the relief of Edward H. Held and Mary Jane Held;

H. R. 2788. An act for the relief of Frank Baptiste;

H. R. 3126. An act for the relief of Mary Ellen Frakes, widow of Joseph A. Frakes;

H. R. 3137. An act for the relief of Ruth L. Clapp;

H. R. 3241. An act to implement the jurisdiction of service courts of friendly foreign forces within the United States, and for other purposes;

H. R. 3306. An act to authorize the conveyance of Harrison Park in the city of Vincennes to Vincennes University;

H. R. 3324. An act for the relief of the Postal Telegraph-Cable Co.;

H. R. 3390. An act for the relief of Mavis Norrine Cothron and the legal guardian of Norma Lee Cothron, Florence Janet Cothron, and Nina Faye Cothron;

H. R. 3524. An act to provide for the establishment of the Harpers Ferry National Monument;

H. R. 3649. An act for the relief of Mae Ekvall;

H. R. 4977. An act for the relief of Harry Schultz;

H. R. 4102. An act to extend for one additional year the reduced rate of interest on Land Bank Commissioner loans;

H. R. 4528. An act for the relief of L. M. Feller Co. and Wendell C. Graus;

H. R. 4623. An act to authorize the use of space in the old post-office building in Portland, Oreg., by the State of Oregon, for its use as a museum for relics from the battleship *Oregon*, together with all other historical documents, objects, and relics of Oregon and the old Oregon country held by the State for public display;

H. R. 4707. An act for the relief of J. Fletcher Lankton and John N. Ziegele;

H. R. 4825. An act to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Des Moines, Iowa, September 10 to 14, inclusive, 1944; and

H. R. 4837. An act to extend for an additional 2 years the suspension in part of the processing tax on coconut oil, and to correct a typographical error in the Individual Income Tax Act of 1944.

H. R. 4937. An act making appropriations for defense aid (lend-lease), for the participation by the United States in the work of the United Nations Relief and Rehabilitation Administration, and for the Foreign Economic Administration, for the fiscal year ending June 30, 1945, and for other purposes.

On July 1, 1944:

H. R. 634. An act to provide for the advancement of Rear Admiral Emory S. Land, Construction Corps, United States Navy, retired, to the rank of vice admiral.

H. R. 702. An act to permit the prepayment of the purchase price of certain housing sold to individuals by the Resettlement Administration or the Farm Security Administration, and for other purposes;

H. R. 905. An act to release all the right, title, and interest of the United States in certain land constituting a portion of the tract of land conditionally granted to the county of Los Angeles, State of California, under the act of March 24, 1933, as amended;

H. R. 1668. An act for the relief of Lesslie C. Selman;

H. R. 2288. An act for the relief of Donald J. Munson.

H. R. 2605. An act for the relief of Charles W. Kirby;

H. R. 2916. An act for the relief of Mrs. Winnie Singleton, as administratrix of the estate of Gaylord W. Singleton, deceased;

H. R. 3280. An act for the relief of William Dyer;

H. R. 3281. An act for the relief of the estate of Nelson Hawkins;

H. R. 3481. An act for the relief of J. William Ingram;

H. R. 3538. An act for the relief of the Reverend James T. Denigan;

H. R. 3539. An act for the relief of the estate of Carlos Perez Aviles;

H. R. 3636. An act for the relief of Josephine Guidoni;

H. R. 3646. An act to amend section 42 of title 7 of the Canal Zone Code;

H. R. 3654. An act for the relief of Byron Ennis;

H. R. 3859. An act for the relief of E. Bird Giles and Sherman Beck;

H. R. 3891. An act to provide night differential for certain employees.

H. R. 3976. An act for the relief of Charles L. Kee;

H. R. 4041. An act to amend the act relating to the construction and maintenance of a bridge across the Missouri River at or near Nebraska City, Nebr.;

H. R. 4074. An act for the relief of the estate of William Sandlass;



H. R. 4095. An act confirming the claim of the heirs of Monroe Johnson, deceased, to certain lands in the State of Mississippi, county of Adams;

H. R. 4103. An act to provide for loss of United States nationality under certain circumstances;

H. R. 4197. An act for the relief of Mr. and Mrs. John Cushman;

H. R. 4215. An act to extend to the custodial-service employees of the Post Office Department certain benefits applicable to postal employees;

H. R. 4348. An act to amend the act approved August 18, 1942, entitled "An act to facilitate the disposition of prizes captured by the United States during the present war, and for other purposes";

H. R. 4361. An act for the relief of Arch A. Brown;

H. R. 4405. An act to amend the act approved March 7, 1942 (56 Stat. 143), as amended (56 Stat. 1092; 50 App. U. S. C., Supp. III, 1001-1017, inclusive), so as to more specifically provide for pay, allotments, and administration pertaining to war casualties, and for other purposes;

H. R. 4458. An act for the relief of J. G. Power and L. D. Power;

H. R. 4466. An act to amend section 18 of the Pay Readjustment Act of 1942 to provide additional pay for personnel who are required to participate in regular and frequent glider flights;

H. R. 4624. An act to consolidate and revise the laws relating to the Public Health Service, and for other purposes;

H. R. 4728. An act to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended;

H. R. 4803. An act to extend the time for commencing and completing the construction of a bridge across the Mississippi River at or near Memphis, Tenn.;

H. R. 4810. An act to extend the provisions of the Selective Training and Service Act of 1940, as amended, to the Virgin Islands; and

H. R. 4881. An act to amend the Internal Revenue Code, the Narcotic Drugs Import and Export Act, as amended, and the Tariff Act of 1930, as amended, to classify a new synthetic drug, and for other purposes.

H. J. Res. 138. Joint resolution granting the consent of Congress to an agreement between the State of New York and the State of Rhode Island and Providence Plantations concerning the settlement of the boundary line between said States;

H. J. Res. 241. Joint resolution requesting the President to urge upon the governments of those countries where the cultivation of the poppy plant exists the necessity of immediately limiting the production of opium to the amount required for strictly medicinal and scientific purposes;

On July 3, 1944:

H. R. 1682. An act for the relief of Edwin H. Taylor, Jr.;

H. R. 2965. An act for the relief of Ross Engineering Co.;

H. R. 3739. An act for the relief of the Wesix Electric Heater Co.;

H. R. 4733. An act to amend section 514 of the Soldiers' and Sailors' Relief Act; and

H. R. 4935. An act to provide for a study of multiple taxation of air commerce, and for other purposes.

#### POCKET VETOED

On June 30, 1944:

H. R. 1737. An act for the relief of the Saunders Memorial Hospital.

On July 1, 1944:

H. R. 1675. An act to amend section 9 of the Pay Readjustment Act of 1942 (Public Law 607) by providing for the computation of double-time credits awarded between 1898 and 1912 in determining retired pay;

H. R. 2649. An act for the relief of Anna Charack; and

H. R. 3674. An act for the relief of William E. Widby.

On July 3, 1944:

H. R. 3596. An act conferring jurisdiction upon the Court of Claims of the United States to consider and render judgment on the claim of the Zephyr Aircraft Corporation.

#### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 3125. An act for the relief of Paul H. White.

#### SWEARING IN OF A MEMBER

Mr. ROLLA C. McMILLEN appeared at the bar of the House and took the oath of office.

#### ELECTION TO COMMITTEES

Mr. MARTIN of Massachusetts. Mr. Speaker, I offer a resolution and ask for its immediate consideration.

The Clerk read the resolution (H. Res. 616), as follows:

*Resolved*, That ROLLA C. McMILLEN, of Illinois, is hereby elected to the Committees on Coinage, Weights, and Measures; Pensions; and Elections No. 2.

The resolution was agreed to.

#### ADJOURNMENT OVER

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Thursday next, and that when it adjourns on Thursday next it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

#### FILIPINO REHABILITATION COMMISSION

The SPEAKER. Pursuant to the provisions of Public Law 381, Seventy-eighth Congress, and the authority granted the Speaker by the order of June 23, 1944, the Chair did on June 29, 1944, appoint as members of the Filipino Rehabilitation Commission the following Members of the House: Mr. BELL, of Missouri; Mr. McGEHEE, of Mississippi; Mr. WELCH, of California.

#### AMERICAN INTERPARLIAMENTARY CONGRESS

The SPEAKER laid before the House the following communication, which was read and referred to the Committee on Foreign Affairs:

CHAMBER OF DEPUTIES, CHILE,  
Santiago de Chile, June 12, 1944.

To His Excellency the SPEAKER OF THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES OF NORTH AMERICA, WASHINGTON:

I have the honor to inform you that the Chamber of Deputies of Chile, at the meeting held on the 6th day of this month, unanimously approved the resolutions adopted by the committees of the association and the American parliamentary delegations which met in this capital, for the celebration of Independence Day.

The text of the resolutions is as follows:

"1. The parliamentary delegations of Peru, Uruguay, Colombia, the United States, Mexico, Costa Rica, El Salvador, Nicaragua, Pan-

ama, and Chile resolve to promote, through their respective parliaments a movement of continental unity;

"2. In order to carry out such a proposal they favor the holding of an American Inter-parliamentary Congress, for which the delegates will ask the approval of their respective parliaments;

"3. To establish a permanent committee, made up of the presidents of the concurrent delegations, presided over by Don Pedro Castelblanco, president of the Chamber of Deputies of Chile, for the purpose of organizing, fixing date, seat, and program of the Inter-parliamentary Congress of America;

"4. To communicate these resolutions to all the countries of the American Continent and invite the countries who did not have parliamentary representatives at the meeting, to adhere to these resolutions.

"Therefore, in order to promote the unity of America through its parliaments, the permanent committee referred to in the third resolution was constituted as follows: President, Pedro Castelblanco, of Chile, and these members: Luis Carlos Mesa, of Colombia; José Albertazzi Muñoz, of Costa Rica; José Erasmo Pacheco, of El Salvador; Pete Jarman, of the United States; Carlos F. Madrazo, of Mexico; Carlos Morales, of Nicaragua; Roberto Jiménez, of Panama; Carlos Sayán Alvarez, of Peru; and Luis Batlle Berres, of Uruguay."

May God keep Your Excellency.

PEDRO CASTELBLANCO A.,  
President.

GUSTAVE MONTT PINTO,  
Secretary.

L. M. MANROSS, July 8, 1944.

#### EXTENSION OF REMARKS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a short article from a paper, also an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent that today, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

#### EXTENSION OF REMARKS

(Mr. CELLER asked and was given permission to extend his remarks in the RECORD.)

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein certain excerpts from speeches.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

#### GOLD PRODUCTION

Mr. ROLPH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therein a resolution adopted by the board of directors of the San Francisco Chamber of Commerce.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROLPH. Mr. Speaker, reconversion of industry is of prime importance. Our gallant forces and those of our allies are daily closing in on Hitler. His fall may come at any time. The United States should be ready to change from war production to the manufacture of civilian goods. Jobs should be open for our returning veterans. The small merchant and manufacturer is entitled to every assistance in his effort to continue in business.

In California our problem is particularly complex. Our citizens are giving of their all for the war effort. The Golden State holds a commanding position in furnishing vitally needed ships and aircraft. Our entire production capacity is almost entirely on war work.

On June 20 last, I spoke in this House on the subject Wars Are Won With Gold. My remarks were largely directed to the delegates named to the International Monetary Conference opening in Bretton Woods, N. H., July 1, 1944.

I urged that consideration be given the serious situation facing gold mining in this country. American gold mines are closed by War Production Board.

Operators in this Nation should have the benefits of present world demand for gold. The price fixed by the Federal Government does not reflect current market quotations in certain foreign countries.

The San Francisco Chamber of Commerce has recently adopted resolutions in connection with this problem, and I quote these resolutions in full, as follows:

RESOLUTION ADOPTED BY THE BOARD OF DIRECTORS OF THE SAN FRANCISCO CHAMBER OF COMMERCE ON JULY 6, 1944, ON RECOMMENDATION OF THE CHAMBER'S MINING COMMITTEE

Whereas it is a generally admitted fact that a limited market for gold bullion exists in India, north Africa, and possibly other countries in the Near and Far East, and south African gold producers have been permitted to sell bullion in those markets at prices substantially in advance of the standard legal prices prevailing in London and in the United States; and

Whereas the American Government is spending very large sums of money in all of said localities where such a market exists for the maintenance of American armed forces utilized in the defense of said countries against German and Japanese aggression; and

Whereas American gold producers, even to the limited extent that they are permitted to produce gold bullion under existing war conditions and the limitations of War Production Board Order L-208, have been greatly handicapped in such production by the greatly increased costs thereof without any increase whatever in the price established some 10 years ago for their product: Now, therefore, be it

Resolved, That the President of the United States, and through him the State Department, be, and they are hereby, requested and urged to take up at once with the British Government and the appropriate local governments in India and north Africa, the matter of paying so far as possible all expenditures by the American Government in said localities in the form of newly mined gold bullion to be delivered and accepted at the going market price for such bullion in said localities, and, after arranging said

foreign sales, to pass on to American producers of newly mined gold such premium per fine ounce for an equal amount of newly produced gold over the American price of \$35 fixed by law as may be obtained from the sales of bullion in foreign countries for said war purposes; and be it further

Resolved, That all of the congressional representatives from the Western States in which gold is produced be urged to lend their endorsement of this plan and to request the President and Secretary of State to use every effort to carry it into effect.

#### POST-WAR PROBLEMS

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CHURCH. Mr. Speaker, I rise to express the hope that the reconvening of Congress today really means that, at long last, we shall work out definite plans and preparations for the difficult post-war period. We are wholly unprepared for the peace. Further delay may prove disastrous. How empty the victory, for which our youth have given their lives, if it means the complete collapse of our economic structure. That is what presently confronts us.

No one really knows when this war will end. As we read the encouraging news of advances in the Pacific and in France, our military leaders continue to warn that the "road to victory is still long and hard." Obviously, their warnings are designed to discourage any relaxation of our productive efforts. These warnings are not to go unheeded. The road to victory may prove very long. But that is no excuse for delay in preparations for the peace. The road to victory, on the other hand, may prove to be short. Our immediate task is to prepare for the day of victory, whether it be sometime next year or next month.

When we passed the Contract Settlement Act prior to the recess, we made only a beginning in preparing for the post-war transition from a war to a peace economy. That law is designed to facilitate payment of claims on terminated contracts, so that the thousands of companies, large and small, engaged in war work will have capital to use in returning to civilian production. It is an aid, not a solution, to the problems which will confront American industry at the conclusion of the war. The law merely serves to release funds which war contractors will have tied up in inventories, goods in process, and finished goods on hand when their contracts are terminated.

What is to be done with the huge stocks of Government-owned surpluses, which at the end of hostilities will total many billions of dollars? What is to be done with the plants which the Government has erected throughout the country? These are very real problems, for which we have the task of formulating a policy and establishing adequate machinery. The Committee on Expenditures in the Executive Departments, of which I am privileged to be a member, has made some preliminary studies of the

matter of surplus materials. I hope that in the coming weeks my committee will submit a concrete proposal to the House.

Whatever plan is formulated, it is important that it rest on the principle that Government must not engage in business in competition with private industry and, further, that the disposal of surpluses in plants and materials be such as to protect the interests of all business, regardless of size. We must preserve the American system of free enterprise and free competition, and it should be emphasized that the backbone of American business is the small enterprises.

And there is the all-important human problem. With the termination of war production, thousands upon thousands of people will face unemployment. Civilian industry will not be able to absorb, during the reconversion period, the people discharged from war work. While an unemployment-compensation system is in existence under the Social Security Act, it will necessarily have to be adapted to the emergency of the period immediately following the end of the war.

There is the related problem of demobilization: the returning soldier who will want to return to his job and to take up life where he left it.

Mr. Speaker, I have merely touched upon the many problems that face us in the post-war era. Their magnitude is beyond expressing in these few words. There is no easy solution, but they are not beyond solution. That is the task before us, and to this task I urge we bend every effort in these next few weeks, beginning today, in order that we may be prepared for the peace. If we fall in this, if we procrastinate one single hour, we are not worthy of our trust.

#### EXTENSION OF REMARKS

Mr. MCGREGOR. Mr. Speaker, I ask unanimous consent to extend by remarks in the RECORD and include therein certain excerpts from speeches previously made on the floor of the House.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

#### POST-WAR LEGISLATION

Mr. DEWEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DEWEY. Mr. Speaker, I for one am glad to be back in my workshop, which, as long as my constituents care to choose me, is the Congress of the United States.

During these vital days that lead to victory, everyone should be giving full time at his or her workbench.

I cannot approve suggestions that the Congress take a recess.

There is too much work to be done.

Many post-war plans must be considered and created into sound laws.

With the help of an ever-kind providence our victorious boys will be coming home in the not distant future.

Let us be ready for them—not only with the hearty welcome they deserve, but also with every facility prepared that



will provide them good jobs under the American way of life.

To accomplish this we have no time for a recess.

The SPEAKER. The time of the gentleman has expired.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. MILLER of Connecticut. Mr. Speaker, I ask unanimous consent, after any other special orders already entered, that I may address the House for 5 minutes today.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

#### EXTENSION OF REMARKS

Mr. CARSON of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a poem by James Francis Thierry.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LEWIS. Mr. Speaker, I have two requests to make. I ask unanimous consent to extend my remarks and to include an editorial in the first instance; and in the second instance I ask unanimous consent to extend my remarks on veterans' legislation.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

#### POST-WAR LEGISLATION

Mr. WOLVERTON of New Jersey. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WOLVERTON of New Jersey. Mr. Speaker, when Congress adjourned the latter part of June, the end of the war in Europe was not in sight. Today, the situation is greatly changed. Not only have our troops in France and Italy made unexpected advances, but it would seem that there is evidence that Germany is beginning to crack internally. We cannot afford to be too optimistic, nor would it be wise to countenance any let-down in our war effort. The war cannot be considered as won until final and complete victory is ours. Our military endeavor should increase in tempo as the enemy weakens. The same is true of our production effort. We must not slacken our production effort. The enemy is still plenty tough. Therefore, our every effort at the front or at home must continue without the slightest let-up. We cannot afford to take anything for granted.

However, there is no reason why we should not be preparing to meet the serious problems that will confront us as soon as the fighting ends. We were unprepared for war. We must not be unprepared for peace. The day when hostilities cease may be nearer than we think. If it should come now we are not prepared. The conditions that would result from sudden cancellation of war contracts could soon produce chaos and distress. The sudden closing of the Brewster plant is a recent illustration of what can happen on a much larger scale

if provision is not made beforehand to meet the problems of mass unemployment.

In my opinion, Congress should not have adjourned in June until every part of the reconversion program had been completely enacted.

Congress, before adjourning, did enact legislation to provide quick settlement of terminated contracts. This was done to enable employers to have ready cash to enter into peacetime production. Any lag in doing so would promote unemployment. Thus this was an important step in the reconversion program. But it was only one step. Nothing has been done as yet with reference to disposal of surplus commodities. Nor has any policy been adopted with respect to future use of war plants owned by the Government and now operated by private industry. These are important matters. They cannot go unanswered or unattended to until war ceases without creating a condition of delay in entering into peacetime activities that will prove most serious. It could be even disastrous in its results.

Another matter of intense importance is that of having a policy with respect to the demobilization of war workers. The importance of making proper provision for them in the transition period between the cessation of war production and commencement of peace production cannot be overstated. It is equally important, if not more so, than any of the problems to which I have referred.

Senator KILGORE introduced into the Senate a comprehensive bill to make adequate provision for workers in the periods of unemployment that may result during the transition and likewise provide a sense of security to them in the many other conditions that may result. Nothing has been done toward the passage of this or any similar measure in either Senate or House. There can be no justification for further delay. The time is at hand for action.

I am deeply concerned at the failure to pass this necessary legislation. Bills have been prepared to cover the different situations. They are in the hands of the respective committees, but nothing is being done with them. Some hearings were held before adjournment. Since then there has been no activity. It is the duty of the management of the Senate and House to start things going, to keep them going until the work is done.

I was of this opinion in June. I am more strongly of that opinion today. I shall urge and do everything possible to bring about at the earliest possible day legislation for the purposes I have outlined. It is necessary to the present and future welfare of our Nation and its people.

#### ROBOT BOMBING

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include as part of my remarks a description of robot bombing in London by Andrew Tully, a correspondent of the Boston Traveler.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I have read this article describing the robots in London by a correspondent of the Boston Globe and I know officially, but not for public statement, the number that have been killed in London alone, and in all of England. Some of these persons were our own Army and Navy personnel. I rejoice that the people in the United States of America have not had to undergo that horrible experience. So far as I can ascertain we are as unprepared for peace as we were for war. I am very anxious for the reconversion of industry wherever possible. Certainly all possible plans should be made for reconversion in order to provide jobs not only for our returning men and women of the armed services but for the civilian workers who produce our war supplies—but we must make sure that every ounce of war material is produced which is necessary for the winning of the war. It does look in the Atlantic theater of war as if things were going better, but the fighting is not over nor is the victory won. I am not an expert in military strategy or naval strategy, but it seems to me that at best the war in the Pacific will be a long one, with many losses. Americans and British living in hourly dread of constant robot bombing cannot tolerate or forgive any delay in the winning of the war. Last month production lagged.

Mr. Speaker, I beg the House to urge continuation of the production of all necessary war matériel until the war is completely won in all theaters of war. Not a single life must be lost because of our neglect.

The following is the article which appeared in the Boston Traveler of July 31:

#### TULLY IS INITIATED IN ROBOT SOCIETY

(By Andrew Tully)

SOUTHERN ENGLAND, July 31.—I have been initiated into the terror of the robot bomb, and it would be nice if I could take vanilla instead. In the 2 days I have been in southern England I have been through what I would call four attacks, although the censor probably will chuckle at my extravagant language. Let him chuckle.

#### A NASTY SHOCK

Only a few days ago I was walking down Tremont Street, just as you and you did today, and the sudden transition from dodging taxicabs in Boston to huddling away from Hitler's latest nightmare is a shock of nasty proportions. Don't let me give you the old baloney about Boston's not knowing there's a war on, but let me just this once point out that over here one perhaps gets a better perspective of that sort of thing.

I had been in my room only 2 minutes when the first siren screamed, and it would have done the Traveler city room good to see me jump. Well, I finally landed out in the vestibule, with bedroom and bathroom doors closed, to stay there smoking furiously for 10 minutes while nothing happened. Oh, I learned later that a couple had dropped somewhere, but I can't prove it.

#### DIFFERENT NEXT DAY

It was a little different next day. I had just made a round of some offices and was walking down the street on my way to the officers' mess when I heard the first blast about a half mile away, I guess.

Apparently there had been an alert. But I had been closeted with a public-relations sergeant, who was doing his best to mother

me, and I hadn't heard it. There I was practically naked in the street thinking of 3-foot concrete walls, preferably overhead.

However, nobody seemed to be paying any attention except for a glance skyward every so often and there was nothing to do but proceed in as dignified a manner as possible. The attack continued while I ate cold cuts, potato salad, lettuce salad, beef soup, and cake. Somehow, I resisted the terrible urge to hurl myself under the table at each buzz but I'm not promising a repeat performance.

That night, for instance, they landed too damned close. The first real body-bouncing one came as I was drinking a beer in one of the local pubs. The advice they give you is to listen closely to the motor and if it shuts off nearby you must dive for shelter or slam your manly figure to the floor or ground.

Well, I got some practice. This one shut off at a point which seemed just about 10 feet from my head and I joined the entire company in a frozen huddle, arms clasped around head and eyes shut. Next thing I knew I was thrown against the bar. The floor heaved and the loudest noise I ever heard, outside of the anguished roar of a city editor, ripped the air.

When I opened my eyes I found that although the bar's front window had escaped, every display bottle in it had been knocked over and several glasses on the bar, including mine, had been spilled. Outside, those amazing Englishmen gathered quickly in little curious groups and the proprietress wormed her way from the sidewalk holding a piece of white hot jagged metal to which she pointed proudly as a piece of the thing.

#### WALKS ON GLASS

It was quite a night.

En route home I ran into another one, if that's the right term, and this time I practically burrowed my way into the sandstone doorway where I had taken refuge a hundred yards up the street. I walked through broken glass a couple of inches deep from shattered shop windows, and when I did get home I learned that either the last blast or an earlier one had knocked out all the windows on one side of my building.

This is old stuff to all the rest of the correspondents, I suppose, and as I said before, the British censor probably is wondering why this American is making such a fuss about it. But I just couldn't write about anything else today. Maybe I have succeeded in giving you an idea of a Yank's first reaction to the frightfulness which is being visited upon an entire population.

Anyway, I've gotten it off a chest that is none too manly this day and I am blood brother to the newsman I was chatting with yesterday, who told me sardonically:

"I am going to get the hell over to Normandy where it is safe."

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. RANDOLPH] is recognized for 10 minutes.

#### THIRTY-SEVENTH ANNIVERSARY OF ARMY AIR FORCES OF THE UNITED STATES

Mr. RANDOLPH. Mr. Speaker, I believe it appropriate that we pause for a few minutes in the initial session of the reconvening of this Congress to note the fact that 37 years ago today the Army Air Forces of the United States came into being. I mention that historical background because the organization which is spearheading the attack of America and the Allied forces toward certain victory in both the European and Pacific theaters of war, was founded as part of our military organization on August 1, 1907.

I think you might be interested in knowing that this country started out with the Army Air Forces of the United States 37 years ago with one officer, two enlisted men, and not a single airplane. I remember the testimony of the commanding general of our Army Air Forces, the very brilliant Gen. H. H. Arnold, when he came before the Committee on the Civil Service of the House in June of 1943. He discussed the growth of the Army Air Forces of the United States. I was struck with one important observation which he made, to the effect that when we entered World War No. 1 we had only 56 officers and 1,800 enlisted men in the Army Air Forces of the United States. With the armistice that organization had grown until we had 17,000 officers and 157,000 enlisted men. Today, as we trust, in the more favorable phases of the concluding months of this war, at least in the European theater, we know that the Army Air Forces of the United States is possessed of a great striking force of more than 2,500,000 men.

I believe you would like to know that when the Army Air Forces was formed 37 years ago, we did not call it by its present name, but it was designated the Aeronautical Division of the Signal Corps of the United States Army. Apparently those who planned for our welfare a little more than a third of a century ago gave very little thought to the strength of air power and what it might mean to the future of this Nation as we defended ourselves against ruthless and even well-equipped enemies.

I would like to give you the thought of General Arnold, spoken a little more than a year ago, in the testimony to which I have previously referred, when he said that in World War No. 1 a complete airplane cost about \$9,000. He said it might go to \$11,000 in the completed cost; and he said it weighed about 6,000 pounds—that is, 7,000 pounds with a pilot, an observer, and with the gasoline load. We know what it costs today, not just \$9,000, \$10,000, or \$11,000, but the average cost is \$275,000 to \$350,000 for the fighting aircraft of the United States Army Air Forces. We know there is not a crew of one or two, but there is a crew of 10 men or more and that the weight is perhaps 35,000 to 45,000 pounds. We can well pause at this moment to remember that it was not alone the gallant Billy Mitchell, in 1919, who began to advocate the effectiveness of air power. It perhaps may be just a little startling to you, when I say the facts disclose it was in 1916, on April 29 of that year, that Admiral Robert E. Peary, a great Navy man, the first to reach the North Pole, gave his opinion of the future place in war of air power.

His remarks have been overlooked. I will place them in my comments today. He said, "He who commands the air commands all." Think of it. That was in 1916. Our air forces of the near future will be more vital to our safety than our Army and Navy combined.

It was almost heresy for a man to speak in that language in 1916.

The Pittsburgh Press, of July 28, 1944, in the aviation column by Maj. Al Williams, has the following informative material:

#### AIR COMMAND

(By Maj. Al Williams)

"We do not respect a man unless he possesses some elements of force and character, and no nation can respect or exert influence unless it stands for forcefulness and strength. \* \* \* In no way can we as a nation stand so effectively for forcefulness, for strength, and for world influence as by command of the air. \* \* \* Just as in the War with Spain, events external to us and beyond our control forced us from our position of isolation into that of a world power with possessions and interests circling the globe, so today's events external to us and entirely beyond our control are shaping for a position and influence greater than ever before. \* \* \*

"In that coming world influence, the one great, dominant thing which will overshadow all else will be air superiority and power. \* \* \* Twenty-four hundred years ago Themistocles, Athenian statesman, soldier, and creator of Athenian naval policy, asserted the principle that 'He who commands the sea commands all.'

"With the victory of Salamis, which changed the history of the world, he drove home the truth of his principle and sent it down the centuries to be a living axiom of national power and influence today. \* \* \* 'He who commands the sea commands all' still holds good. But it has a rival, the command of the air, without which command of the sea is beginning to be valueless and in the near future it will be superseded entirely by the axiom, 'He who commands the air commands all.' Our air forces of the near future will be more vital to our safety than our Navy and Army combined. \* \* \* The sooner we wake up to the fact that command of the air is absolutely vital to our safety and that it can be secured at less cost than any other form of defense, the better it will be for us. \* \* \*

"The airplane has completely changed modern warfare. \* \* \* Suppose such a horror from the air should fall upon us as has already fallen upon the east coast of England. \* \* \* Would the whole country flame with rage? Would there be a snarl, 'Why has this happened—who is responsible—why were we not ready to prevent it?'

"The basic ideals of this country, born of our ancestry, our national growth, our physical position, are bigness and realization.

"Here is an opportunity for us to make good on these ideals on a grand scale by taking up in earnest the airpower of this Nation. Our geographical position, our national rank and standing, our national safety demand it. Our resources and mechanical genius not only permit it but make it easily possible. \* \* \* I would to God I had the power to transmit \* \* \* the intensity of my feelings on this subject. It is vital—vital—vital to us—this command of the air."

Brace yourselves for a shock. All the foregoing might have been excerpts from a current radio talk. The Army for years has been given credit for the foresight of Gen. Billy Mitchell. But Bill Mitchell didn't start his cry for air power until 1919—after World War No. 1.

It was the Navy's great hero, Admiral Robert E. Peary, the first man to visit the North Pole, who envisioned the part that airpower would play in the world to come and its revolutionary effect upon modern warfare. This column is composed of verbatim excerpts from his address before the twentieth annual meeting of the American Academy of Political and Social Science in Philadelphia on April 29, 1916.



History has her own strangely effective way of checking the log book of mankind. And to Admiral Peary, a Navy man, must go the credit for envisioning and recognizing the vital role command of the air would play in this world, our world, and the world ahead.

Let us pay tribute today to Admiral Peary who spoke those words in 1916, and 3 years later, in 1919, to the preaching of Billy Mitchell, as they and others gave to the American people the first glimpses of a realization that we must prepare ourselves to defend America through the medium of air power.

We owe a tremendous debt of gratitude to the more than two and one-half million members of the United States Air Forces who are today leading in the skies with the Allied Nations our eventual success over the Nazi and Japanese foes. To Admiral Peary, to Billy Mitchell, to General Arnold, to all those who have shown leadership, we say, "Well done." I believe I express the feeling of the membership of this House when I say, "Good luck to our airmen. The wings of America grow ever stronger."

The SPEAKER. Under previous order of the House, the gentleman from Connecticut [Mr. MILLER] is recognized for 5 minutes.

#### CIRCUS FIRE AT HARTFORD, CONN.

Mr. MILLER of Connecticut. Mr. Speaker, on the 6th of July, the city of Hartford suffered a tragic loss. On that day the big top of the Barnum & Bailey-Ringling Bros. Circus burned to the ground causing the tragic death of 166 men, women, and children.

About a year and a half ago the city of Boston suffered a loss when the Coconut Grove Night Club burned. Fire experts and fire-prevention authorities throughout the United States tried to learn every possible lesson from the Boston disaster, but unfortunately, in spite of all their research, no thought was given to the fire hazard of these huge circus tents.

I am today introducing a resolution respectfully requesting the Committee on Interstate and Foreign Commerce to conduct an investigation to determine whether requirements should be imposed by law in the case of circuses moving in interstate commerce, with respect to the fireproofing of tents, and taking all other measures to promote safety.

The inquest is still going on in the State of Connecticut. The State officials are still conducting their investigation. Their report and their findings, of course, would be made available to the members of the Committee on Interstate and Foreign Commerce. I am not going to discuss any of the causes of the disaster. I will not mention any of the information that has been made available at this time, but I am sure that out of these tragic losses we want to learn everything we can, and if this Congress should deem it necessary to enact legislation dealing with these problems I hope that it can be done speedily.

I read in the paper this morning that the circus which returned to Florida, its home base, after the disaster has gone

out on the road again. Whether the new canvas, or the canvas to be used in the big top, is fireproofed or not, I do not know; but I do feel they should be checked over.

Mr. RAMSPECK. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Connecticut. I yield.

Mr. RAMSPECK. The circus passed through Atlanta on yesterday. They are not using canvas, but they are going to show only in stadiums and ball parks.

Mr. MILLER of Connecticut. I think that is fine, but I would like to see the big top come back. It is not my thought that this committee, or anyone else, should attempt in any way to harass the circus. The circus is an American institution and I want to see it continued. But I do want to see every possible safeguard thrown around the patrons of the circus.

The officials of the circus have expressed in every way their sympathy for the families of the dead and the injured. They have made every effort to cooperate in the investigations which have followed the catastrophe. Despite the tremendous financial loss which the fire imposed on the circus, they have voluntarily sent \$10,000 to the Hartford Chapter of the American Red Cross in recognition of their services to the fire victims.

#### EXTENSION OF REMARKS

Mr. HARLESS of Arizona. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a poem by E. B. Wallace to his son.

The SPEAKER. Is there objection?

There was no objection.

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks and include a speech I recently made, and also some excerpts.

The SPEAKER. Is there objection?

There was no objection.

#### ORDER OF BUSINESS

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to make an announcement.

The SPEAKER. Is there objection?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, there has been an agreement reached between the distinguished gentleman from Massachusetts [Mr. MARTIN] and myself, acting for the majority leader, and with the approval of the Speaker, that the membership will be given 3 days' notice before legislation which we expect to consider is taken up.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mrs. ROGERS of Massachusetts. Have the committees any of these bills ready to consider?

Mr. RAMSPECK. It is my understanding they have not.

Mrs. ROGERS of Massachusetts. And that is the reason the House is not doing any work?

Mr. RAMSPECK. That is the reason. As soon as the committees are ready, the membership will be notified.

#### ENROLLED BILL SIGNED

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 3125. An act for the relief of Paul H. White.

#### ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 32 minutes p. m.) the House, pursuant to the order heretofore entered, adjourned until Thursday, August 3, 1944, at 12 o'clock noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1692. A letter from the Chairman, Reconstruction Finance Corporation, transmitting a report covering its authorizations for the period from the organization of the Corporation on February 2, 1932, to March 31, 1944, inclusive (H. Doc. No. 666); to the Committee on Banking and Currency and ordered to be printed.

1693. A letter from the Secretary of War, transmitting a draft of a proposed bill to amend the Canal Zone Code; to the Committee on the Merchant Marine and Fisheries.

1694. A letter from the President, Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill to authorize the establishment of the Metropolitan Police department ban, District of Columbia, and to provide funds therefor; to the Committee on the District of Columbia.

1695. A letter from the Acting Secretary of the Treasury, transmitting a draft of a proposed bill to provide for the reimbursement of certain civilian personnel for personal property lost as a result of the Japanese occupation of Hong Kong and Manila; to the Committee on Claims.

1696. A letter from the Director, Selective Service System, transmitting a report of the registrants occupationally deferred as of April 15, 1944, because of their employment in or under the Federal Government; to the Committee on Military Affairs.

1697. A letter from the Acting Secretary of the Navy, transmitting estimates of personnel requirements for the Navy Department, Marine Corps, and Coast Guard for the quarter ending September 30, 1944; to the Committee on the Civil Service.

1698. A letter from the Acting Secretary of the Interior, transmitting a certified volume comprising the acts of the fourth regular session of the Fifteenth Legislature of Puerto Rico, February 14 to April 15, 1944; to the Committee on Insular Affairs.

1699. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to authorize the Secretary of the Navy to lease certain lands situated in San Diego County, State of California; to the Committee on Naval Affairs.

1700. A letter from the Attorney General, transmitting a draft of a proposed bill to amend section 28 (c) of the Immigration Act of 1924; to the Committee on Immigration and Naturalization.

1701. A letter from the Acting Postmaster General, transmitting a draft of a proposed bill to eliminate as uncollectable certain

credits of the United States; to the Committee on Expenditures in the Executive Departments.

1702. A letter from the Attorney General, transmitting a request that the case of Albina Giombini, nee Talevi, be withdrawn from the list of cases involving suspension of deportation; to the Committee on Immigration and Naturalization.

1703. A letter from the Administrator of Veterans' Affairs, transmitting a draft of a proposed bill to liberalize certain provisions of the National Service Life Insurance Act of 1940, as amended; to the Committee on World War Veterans' Legislation.

1704. A letter from the Administrator of Veterans' Affairs, transmitting two copies of a draft of a proposed bill authorizing the Administrator of Veterans' Affairs to grant an easement in certain lands of the Veterans' Administration, Dallas, Tex., to Dallas County, Tex., for highway purposes; to the Committee on World War Veterans' Legislation.

1705. A letter from the President, United States Civil Service Commission, transmitting a draft of a proposed bill to provide uniform authority for the payment of travel expenses of consultants and other expert employees of the Federal Government; to the Committee on Expenditures in the Executive Departments.

1706. A letter from the Secretary of State, transmitting a copy of a note dated June 22, 1944, addressed to the American Legation at Reykjavik by the Icelandic Ministry for Foreign Affairs; to the Committee on Foreign Affairs.

1707. A letter from the Attorney General transmitting a report showing the special assistants employed during the period from January 1 to June 30, 1944, under the appropriation "Compensation of special attorneys, etc., Department of Justice"; to the Committee on Expenditures in the Executive Departments.

1708. A letter from the Chairman, War Production Board, transmitting a draft of a proposed bill to provide for the control of confidential business data submitted to the War Production Board; to the Committee on the Judiciary.

1709. A letter from the Acting Postmaster General, transmitting a draft of a proposed bill for the relief of Irma S. Sheridan, postmaster at Rockville, Ore.; to the Committee on Claims.

1710. A letter from the Acting Postmaster General, transmitting a draft of a proposed bill relating to dual employment in the Postal Service and for other purposes; to the Committee on the Post Office and Post Roads.

1711. A communication from the President of the United States, transmitting a report, prepared by the American Red Cross, of obligations under the appropriations for foreign war relief consolidated and extended by the Second Deficiency Appropriation Act of 1942 and the Urgent Deficiency Appropriation Act of 1943; to the Committee on Appropriations.

1712. A letter from the President, United States Civil Service Commission, transmitting one set of the Commission's revised requests for personnel for the first quarter of the fiscal year 1945; to the Committee on the Civil Service.

1713. A letter from the Director, Office for Emergency Management, Division of Central Administrative Services, transmitting copies of the quarterly estimates of personnel requirements for the Division of Central Administrative Services for the quarter ending September 30, 1944; to the Committee on the Civil Service.

1714. A letter from Frank A. McNamee, Jr., colonel, Field Artillery, Office of Civilian Defense, transmitting copies of quarterly estimate of personnel requirements for the quarter ending September 30, 1944, covering regular operations of the Office of Civilian

Defense and its protective property program; to the Committee on the Civil Service.

1715. A letter from the Director, Bureau of the Budget, transmitting the information with respect to the number of persons needed for the proper and efficient exercise of the functions of the Bureau of the Budget for the quarter ending September 30, 1944; to the Committee on the Civil Service.

1716. A letter from the Chairman, Smaller War Plants Corporation, transmitting a copy of the personnel requirements of the Smaller War Plants Corporation for the first quarter of the fiscal year 1945; to the Committee on the Civil Service.

1717. A letter from the Acting Secretary of the Treasury, transmitting herewith a copy of a communication from this Department to the Director of the Bureau of the Budget, together with forms executed by various bureaus, offices, and divisions of this Department, reflecting the number of employees estimated to be required during the first quarter of the fiscal year 1945 for the proper and efficient exercise of their respective functions; to the Committee on the Civil Service.

1718. A letter from the Acting Administrator of the Federal Security Agency, transmitting herewith the quarterly estimate of personnel requirements for the first quarter of the fiscal year 1945 for the Federal Security Agency; to the Committee on the Civil Service.

1719. A letter from the Acting Chairman of the Federal Power Commission, transmitting the quarterly estimate of personnel requirements for the Federal Power Commission covering the period ending September 30, 1944; to the Committee on the Civil Service.

1720. A letter from the Chairman of the War Manpower Commission, transmitting herewith an amended request for personnel ceiling for Employment Office facilities and services to coincide with funds appropriated; to the Committee on the Civil Service.

1721. A letter from the Director of the Office of Economic Stabilization, transmitting herewith the quarterly estimate of personnel requirements for the Office of Economic Stabilization for the quarter ending September 30, 1944; to the Committee on the Civil Service.

1722. A letter from the Director of the Office of War Mobilization, transmitting herewith a copy of the quarterly estimate of personnel requirements for the Office of War Mobilization for the quarter ending September 30, 1944; to the Committee on the Civil Service.

1723. A letter from the Secretary of War, transmitting herewith a copy of the quarterly estimate of personnel requirements, as transmitted to the Director of the Bureau of the Budget, setting forth the estimate of the number of employees required for the proper and efficient exercise of the functions of the War Department, for the quarter ending September 30, 1944; to the Committee on the Civil Service.

1724. A letter from the Acting Administrator, Federal Security Agency, transmitting consolidated Forms 3257, report of Federal civilian employment, for the Federal Security Agency for the month of May 1944; to the Committee on the Civil Service.

1725. A letter from the Secretary of the Department of Labor, transmitting herewith information, as required by the Bureau of the Budget, which specifies the number of employees required for the proper and efficient exercise of the functions of the Department of Labor and its bureaus, for the quarter beginning July 1, 1944; to the Committee on the Civil Service.

1726. A letter from the President of the United States Civil Service Commission, transmitting herewith one set of the Commission's requests for personnel for the first

quarter of the fiscal year 1945; to the Committee on the Civil Service.

1727. A letter from the Administrator of the National Housing Agency, transmitting herewith to the House of Representatives copies of the requests for personnel needs during the first quarter of the fiscal year 1945, as placed before the Bureau of the Budget; to the Committee on the Civil Service.

1728. A letter from the Administrative Assistant to the President, transmitting herewith the quarterly estimate of personnel requirements of the Liaison Office for Personnel Management for the quarter ending September 30, 1944; to the Committee on the Civil Service.

1729. A letter from the Assistant Secretary, Department of Agriculture, transmitting copies of the quarterly estimates of personnel requirements for each of the Department's reporting units for the quarter ending June 30, 1944; to the Committee on the Civil Service.

1730. A letter from the assistant secretary-treasurer of the American Commission for the Protection and Salvage of Artistic and Historic Monuments in War Areas, transmitting herewith an amended form of the quarterly estimate of personnel requirements for the period ending September 30, 1944; to the Committee on the Civil Service.

1731. A letter from the Chairman of the Federal Trade Commission, transmitting herewith a copy of a quarterly estimate of the personnel requirements of the Federal Trade Commission for the first quarter of the fiscal year 1945; to the Committee on the Civil Service.

1732. A letter from the Chairman of the Federal Communications Commission, transmitting herewith reports of personnel requirements of the Federal Communications Commission; to the Committee on the Civil Service.

1733. A letter from the Attorney General, transmitting herewith copies of reports to the Director of the Bureau of the Budget relative to determining the number of employees required by the various units of the Department of Justice for the proper and efficient exercise of its functions for the first quarter of the fiscal year 1945; to the Committee on the Civil Service.

1734. A letter from the Assistant Secretary, Department of the Interior, transmitting the quarterly estimates of personnel requirements covering the quarter ending September 30, 1944, for the bureaus and offices of this Department; to the Committee on the Civil Service.

1735. A letter from the Postmaster General, transmitting herewith a copy of a letter addressed to the Director of the Bureau of the Budget, certifying that the Post Office Department is within the quota set by that Bureau under dates of June 30 and July 18, 1944, for each of the appropriation units involved; to the Committee on the Civil Service.

1736. A letter from the Attorney General, transmitting herewith copies of reports to the Director of the Bureau of the Budget relative to determining the number of employees required by the various units of the Department of Justice for the proper and efficient exercise of its functions for the first quarter of the fiscal year 1945; to the Committee on the Civil Service.

1737. A letter from the President of the United States Civil Service Commission transmitting herewith a proposal that legislation be enacted to give specific legislative recognition to positions of directors of personnel in the departments and agencies of the Government; to the Committee on the Civil Service.

1738. A letter from the Secretary of the Smithsonian Institution, transmitting herewith a quarterly estimate of personnel requirements for the Smithsonian Institution



and on June 17 an amended report for the quarter ending September 30, 1944; to the Committee on the Civil Service.

1739. A letter from the Acting Administrator, Office of Price Administration, transmitting a copy of Budget Bureau Form A-29, estimate of personnel requirements, for the quarter ending September 30, 1944; to the Committee on the Civil Service.

1740. A letter from the Director, Division of Administrative Management, National War Labor Board, transmitting a substitution for the top page of the quarterly estimates of personnel requirements submitted with their letter of July 1, 1944; to the Committee on the Civil Service.

1741. A letter from the Director, Division of Administrative Management, National War Labor Board, transmitting a quarterly estimate of the personnel requirements of the National War Labor Board for the first quarter of the fiscal year 1945; to the Committee on the Civil Service.

1742. A letter from the Director, Bureau of the Budget, transmitting five tables covering the determinations of the Director of the Bureau of the Budget during the fourth quarter of the fiscal year 1944 of the numbers of employees required by the executive departments and agencies for the proper and efficient exercise of their respective functions; to the Committee on the Civil Service.

1743. A letter from the Acting Comptroller General of the United States, transmitting herewith a revised estimate of the number of employees required for the proper and efficient exercise of the functions of the General Accounting Office during the quarter ending September 30, 1944; to the Committee on the Civil Service.

1744. A letter from the Acting Administrator of the Federal Security Agency, transmitting herewith consolidated Forms 3257, Report of Federal civilian employment, for the Federal Security Agency for the month of June 1944; to the Committee on the Civil Service.

1745. A letter from the President of the United States Civil Service Commission, transmitting herewith one set of the Commission's revised requests for personnel for the first quarter of the fiscal year 1945, which was submitted to the Bureau of the Budget in accordance with Budget Circular No. A-29, revised; to the Committee on the Civil Service.

1746. A letter from the Administrative Assistant to the Secretary of the Department of Commerce, transmitting herewith revision No. 1 of the estimate of personnel requirements for the quarter ending September 30, 1944, for "Salaries, Patent Office," requesting an increase of 20 positions; to the Committee on the Civil Service.

1747. A letter from the Director, Committee for Congested Production Areas, transmitting the quarterly estimate of personnel requirements for the Committee for Congested Production Areas for the period July 1, through September 30, 1944; to the Committee on the Civil Service.

1748. A letter from the Chairman of the Board of Reconstruction Finance Corporation, transmitting a copy of the estimate of the number of employees required for the proper and efficient exercise of the functions of the Reconstruction Finance Corporation and its subsidiaries for the quarter ending October 1, 1944; to the Committee on the Civil Service.

1749. A letter from the Administrative Assistant to the Secretary, Department of Commerce, transmitting revision No. 1 of the estimate of personnel requirements for the quarter ending September 30, 1944, for coastal surveys and working funds, Coast and Geodetic Survey, requesting an increase of 6 positions in the former, with a corresponding decrease in the latter; to the Committee on the Civil Service.

1750. A letter from the Attorney General, transmitting a report stating all of the facts and pertinent provisions of law in the cases of 70 individuals whose deportation has been suspended for more than 6 months under the authority vested in him, together with a statement of the reason for such suspension; to the Committee on Immigration and Naturalization.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CARTER:

H. R. 5142. A bill to provide a method for compensating certain individuals for damages sustained as the result of the explosions at Port Chicago, Calif.; to the Committee on Claims.

By Mr. COMPTON:

H. R. 5143. A bill to repeal the automobile-use tax; to the Committee on Ways and Means.

By Mr. DIMOND:

H. R. 5144. A bill to authorize the city of Ketchikan, Alaska, to issue bonds in a sum not to exceed \$150,000 for the purpose of constructing and acquiring additions and betterments to and extensions of the electric light and power system of said city, and to provide for the payment thereof, and for other purposes; to the Committee on the Territories.

H. R. 5145. A bill to authorize the sale of certain public lands in Alaska to the Catholic bishop of Alaska, in trust for the Roman Catholic Church; to the Committee on the Public Lands.

By Mr. LUTHER A. JOHNSON:

H. R. 5146. A bill to amend the Social Security Act approved August 14, 1935; to the Committee on Ways and Means.

By Mr. MAAS:

H. R. 5147. A bill to amend the act approved February 3, 1942, so as to provide for an Assistant Commandant for Air of the Marine Corps, to prescribe the rank of the Assistant Commandant and the Assistant Commandant for Air, and to amend the act approved June 22, 1938, as amended, so as to extend its retirement provisions to the Assistant Commandant and the Assistant Commandant for Air, and for other purposes; to the Committee on Naval Affairs.

By Mr. MILLER of Connecticut:

H. Res. 617. Resolution to direct the Committee on Interstate and Foreign Commerce to conduct an investigation to determine whether requirements should be imposed by law in the case of circuses moving in interstate commerce with respect to the fireproofing of tents and the taking of other measures to promote safety; to the Committee on Rules.

#### MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Chamber of Deputies of Chile, rendering homage to the United States of North America on the glorious anniversary of the declaration of its independence; to the Committee on Foreign Affairs.

Also, memorial of the Congress of Venezuela, denouncing tyrannical Nazi Fascist government of Trujillo and requesting consideration of congresses of all American countries to ignore force-imposed regimes; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the State of California, relating to prolonging the wild-fowl shooting season, and for other purposes; to the Committee on Roads.

Also, memorial of the Legislature of the State of California, relative to the post-war disposition of temporary and demountable war housing by the Federal Government through appropriate State and local governmental authority; to the Committee on Public Buildings and Grounds.

Also, memorial of the Legislature of the State of South Dakota, memorializing the President and the Congress of the United States to adopt plans for development of the Missouri River Valley; to the Committee on Rivers and Harbors.

Also, memorial of the Council of the City of Newport, R. I., memorializing the President and the Congress of the United States to enact Senate bill, S. 1371; to the Committee on the Civil Service.

Also, memorial of the Chamber of Deputies of Chile, informing the President and the Congress of the United States that the Chamber of Deputies of Chile, at the meeting held on the 6th day of June 1944, unanimously approved the resolutions adopted by the committees of the association and the American parliamentary delegations which met in this capital, for the celebration of Independence Day; to the Committee on Foreign Affairs.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BATES of Kentucky:

H. R. 5148. A bill granting an increase of pension to James O. Scott; to the Committee on Invalid Pensions.

By Mr. DIMOND:

H. R. 5149. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim, or claims, of the Aleutian Livestock Co., Inc.; to the Committee on Claims.

By Mr. GREEN:

H. R. 5150. A bill for the relief of Robert T. McFall; to the Committee on Claims.

By Mr. LEWIS:

H. R. 5151. A bill for the relief of Frank Sable; to the Committee on Claims.

By Mr. ROLPH:

H. R. 5152. A bill for the relief of Mrs. John A. Schaertzer; to the Committee on Claims.

H. R. 5153. A bill for the relief of Charles E. Surmont; to the Committee on Claims.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5916. By Mr. CASE: Memorial of South Dakota State Legislature, convened July 10, 1944, urging that agencies of the Federal Government adopt plans for the development of the Missouri River Valley, as set forth in House Concurrent Resolution No. 1; to the Committee on Flood Control.

5917. By Mr. GRAHAM: Petition of the Women's Christian Temperance Union City Institute, of New Castle, Pa., representing approximately 320 persons, urging the passage of the Bryson bill, H. R. 2082; to the Committee on the Judiciary.

5918. Also, petition of the Session of the First Presbyterian Church of Rochester, Beaver County, Pa., representing approximately 500 persons, for the passage of the Bryson bill, H. R. 2082; to the Committee on the Judiciary.

5919. By Mr. JOSEPH M. PRATT: Petition of Foreign Trade Committee, Chamber of Commerce, and Board of Trade of Philadelphia; to the Committee on Interstate and Foreign Commerce.

5920. By Mr. ROLPH: House Resolution No. 32, State of California, relating to prolonging

the wild fowl shooting season; to the Committee on Agriculture.

5921. Also resolution of Redwood Empire Supervisors Unit, San Francisco, relative to the construction of a Sausalito approach to the Golden Gate Bridge, San Francisco; to the Committee on Roads.

5922. Also, petition of Pile Drivers, Bridge, Wharf and Dock Builders Local 34 referring to Senate bill 1161; to the Committee on Ways and Means.

5923. Also, petition of Building and Construction Trades Council of San Francisco regarding Senate bill 1161; to the Committee on Ways and Means.

5924. Also, petition of Committee for Safety for Public Housing in San Francisco Bay area regarding certain suggestions for bay-area housing; to the Committee on Banking and Currency.

5925. Also, resolution of California State Hotel Association, Ltd., San Francisco, Calif., recommending an appropriation for the construction of a highway making possible continuous traffic from the west coast area to Alaskan Territory, without need for using the present southern portions of the Alcan Highway; to the Committee on Roads.

5926. Also, Assembly Joint Resolution No. 6, State of California, relating to making shotgun shells available to farmers; to the Committee on Banking and Currency.

5927. Also, Assembly Joint Resolution No. 4, State of California, relating to the establishment of a veterans' hospital in central California; to the Committee on World War Veterans' Legislation.

5928. Also, Assembly Joint Resolution No. 3, State of California, memorializing Congress to provide adequate support for the maintenance of the San Joaquin Experimental Range by the Forest Service, United States Department of Agriculture; to the Committee on Agriculture.

5929. Also, Assembly Joint Resolution No. 2, State of California, memorializing Congress to make a survey of the needs of various schools for adult manual education, etc.; to the Committee on Education.

5930. Also, Assembly Joint Resolution No. 8, State of California, relating to having Mammoth Pass Road in California constructed as a post-war construction project; to the Committee on Roads.

5931. Also, Assembly Joint Resolution No. 9, State of California, relating to requesting priorities on pasteurizing equipment for the manufacture of cheese; to the Committee on Agriculture.

5932. Also, House Resolution No. 44, State of California, relating to encouraging propagation of cork oak trees in the United States, and so forth; to the Committee on Agriculture.

5933. Also, House Resolution No. 72, State of California, relating to privately owned cabins in the United States forest reserves; to the Committee on Ways and Means.

5934. Also, House Resolution No. 29, State of California, relating to the closing of the United States forests to hunting; to the Committee on Agriculture.

5935. Also, Assembly Joint Resolution No. 16, State of California, relative to the establishment of an Optometric Corps in the United States Army; to the Committee on Military Affairs.

5936. Also, Assembly Joint Resolution No. 14, State of California, relating to establishment of feeder air transportation connecting up the small cities of California; to the Committee on Interstate and Foreign Commerce.

5937. Also, Assembly Joint Resolution No. 13, State of California, relating to the enactment by Congress of House bill 4915; to the Committee on Roads.

5938. Also, Assembly Joint Resolution No. 11, State of California, relating to the post-war disposition of temporary and demountable war housing by the Federal Government

through appropriate State and local governmental authority; to the Committee on Public Buildings and Grounds.

5939. Also, Assembly Joint Resolution No. 10, State of California, relating to an inter-regional highway connecting San Diego and the extreme southern part of the State with the easterly regions of the United States; to the Committee on Roads.

5940. By the SPEAKER: Petition of the National Shipwright, the Navy Club of the United States of America, petitioning consideration of their resolution with reference to provision for the maintenance of the United States Navy as the largest navy in the world, with sufficient bases and facilities properly throughout the universe for the efficient operation of our Navy; to the Committee on Naval Affairs.

5941. Also, petition of the vice president, Eire Society of Rhode Island, petitioning consideration of their resolution with reference to removal of the artificial political boundary dividing northern and southern Ireland; to the Committee on Foreign Affairs.

5942. Also, petition of the president, Puerto Rico Medical Association, petitioning consideration of their resolution with reference to House bill 4615; to the Committee on Interstate and Foreign Commerce.

5943. Also, petition of the Grand Committee of Hungarians, Bridgeport, Conn., petitioning consideration of their resolution with reference to Nazi activities inflicted on the people of Hungary; to the Committee on Foreign Affairs.

5944. Also, petition of the president, South Dakota State Townsend Council, petitioning consideration of their resolution with reference to sponsoring the enactment of uniform laws in each State of the Nation defining "fifth column activities" and providing penalties therefor; to the Committee on the Judiciary.

5945. Also, petition of the Carpenters Local Union No. 162, San Francisco, Calif., United Brotherhood of Carpenters and Joiners of America, petitioning consideration of their resolution with reference to total conscription of all men, machines, materials, and money; to the Committee on Military Affairs.

5946. Also, petition of the secretary, American Federation of Musicians of the United States and Canada, petitioning consideration of their resolution with reference to the enactment of House bill 3984; to the Committee on Military Affairs.

5947. Also, petition of the president, Mexican National Democratic Legion, A. C., petitioning consideration of their resolution with reference to requested authorization for departure from the country of Mexicans who form part of a division of volunteers; to the Committee on Foreign Affairs.

5948. Also, petition of the Universal Negro Improvement Association and African Communities League, petitioning consideration of their resolution with reference to equal representation of Negro race in the settlement of African affairs; to the Committee on Foreign Affairs.

5949. Also, petition of James J. Laughlin, Washington, D. C., petitioning consideration of his resolution with reference to the impeachment of Hon. Edward C. Eicher, chief justice, District Court of the United States for the District of Columbia; to the Committee on the Judiciary.

5950. Also, petition of H. V. Broenstrup, Washington, D. C., petitioning consideration of his resolution with reference to a statement in opposition to the impeachment investigation of Mr. Chief Justice Eicher of the District Court of the United States for the District of Columbia; to the Committee on the Judiciary.

5951. Also, petition of James J. Laughlin, Washington, D. C., petitioning consideration of his resolution with reference to an amendment to his petition for the impeachment of Edward C. Eicher, chief justice, District Court

of the United States for the District of Columbia; to the Committee on the Judiciary.

5952. Also, petition of Ira Chase Koehne, Washington, D. C., petitioning consideration of his resolution with reference to opposition to petition of one James J. Laughlin for impeachment of the Honorable Chief Justice Eicher of the District Court of the United States for the District of Columbia; to the Committee on the Judiciary.

5953. Also, petition of the Louisiana Municipal Association, petitioning consideration of their resolution with reference to the endorsement of House bill 1502; to the Committee on Interstate and Foreign Commerce.

5954. Also, petition of Frank L. Golder, of St. Louis, Mo., petitioning consideration of his resolution with reference to legality of the authority of the postal officials in charge of the post office located at Eighteenth and Market Streets, St. Louis, Mo., to retain petitioner upon their rolls beyond stipulated period against his will; to the Committee on the Judiciary.

## SENATE

THURSDAY, AUGUST 3, 1944

(Legislative day of Tuesday, August 1, 1944)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. John R. Edwards, D. D., associate minister, Foundry Methodist Church, Washington, D. C., offered the following prayer:

Almighty God, we approach Thee in recognition of Thy greatness and holiness. Our limitations drive us to Thy source of strength. For this day's task we pray the gift of Thy wisdom. In the darkness that engulfs the world teach us the patience of unanswered prayer. Teach us, too, the confidence of answered prayer in His name who says, "Before they call I will answer, and while they are yet speaking I will hear." Give to all Thy servants the spirit of expectancy and hope that life may be fulfilled in the realm of right, the realm of God.

Bless this assembly, facing questions fraught with urgency never before known. May the guidance of an unseen presence be the part of all who function in these major tasks. "Lord God of hosts, be with us yet, lest we forget! Lest we forget!" In Christ's name. Amen.

### THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, August 1, 1944, was dispensed with, and the Journal was approved.

### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

RESIGNATION OF SENATOR TRUMAN FROM SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM

The VICE PRESIDENT laid before the Senate a letter from Mr. TRUMAN, chairman of the Special Committee to Investi-